



**CBIZ BENEFITS AND INSURANCE SERVICES, INC.**

July 21<sup>st</sup>, 2017

Presentation of Proposal to:



# Brokerage Services for Insurance and Employee Benefits

July 21<sup>st</sup>, 2017

Chris Smith  
Benefits Manager  
1819 5<sup>th</sup> Avenue North  
Birmingham, AL 35203

Re: Benefits Consulting Services

Thank you for inviting CBIZ to offer Bradley Arant Boult Cummings a proposal for benefits consulting and advisory services. In our unique approach and comprehensive scope of services, we are confident you will find that our unwavering commitment to all of our services align with Bradley Arant Boult Cummings's needs. Our unofficial motto at CBIZ is we are proudful to ***"out-National the National, while out-local-ing the local Benefit Consulting Firms"***.

CBIZ is ideally suited to provide these professional services to Bradley Arant Boult Cummings. When you engage CBIZ, you can count on:

- A collaborative and strategic relationship with a commitment to proactive client service;
- A team of very experienced benefit professionals, who have the resources to provide the expertise in curving the healthcare trend of your company's utilization; and
- An innovative and creative strategy that will streamline the administration of your benefits plans;

At CBIZ, we are absolutely committed to excellence, innovation, and superior service. We are ready to put our talent and expertise to work for you and your employees. We promise to be with you for the longer term. We will set expectations and develop a multi-year strategy.

Based on the RFP and addenda for broker services, we understand the following are key objectives for this engagement:

1. Cost containment strategies which address the future growth of the organization
2. Create a strategic plan that puts Bradley Arant Boult Cummings in the best possible position to continue to offer high quality and cost effective employee benefit plan offerings while striving for continuous improvement
3. Consistent support for financial and service reporting ongoing
4. High quality enrollment and communication support

We believe selecting CBIZ for award of this important partnership offers Bradley Arant Boult Cummings several advantages.

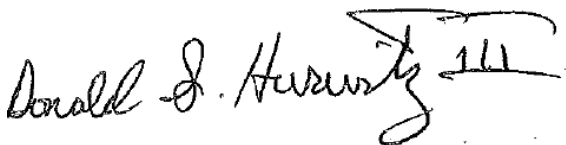


## Brokerage Services for Insurance and Employee Benefits

The following proposal has been prepared to demonstrate our dedication to meet your needs and goals, the proposal also portrays our in-depth resources and extensive experience in providing solutions to organizations facing similar issues as Bradley Arant Boult Cummings. The enclosed proposal is valid for a period of 90 days from the date of submission.

Again, thank you for the opportunity to present this proposal.

Sincerely,



Donald S. Hurwitz, III, CLU  
The Todd Organization  
Disability Specialist



Ken Rideout, RHU  
Business Unit President for TN



Cole Harris, RHU  
Vice President of Sales & Marketing for TN

### Disclosure

The sample documents provided with this RFP response by CBIZ Benefits & Insurance Services, Inc. (CBIZ) are the sole and exclusive property of CBIZ. These documents have been shared for illustration purposes only, and may not be reproduced or used for your benefit, or the benefit of anyone else, without the prior written authorization of CBIZ. You are obligated to maintain the confidentiality of these documents. Thank you in advance for your cooperation.



# Brokerage Services for Insurance and Employee Benefits

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# Brokerage Services for Insurance and Employee Benefits

## Company Overview

### *General Information (Questions 1 – 2, & 13)*

CBIZ has been operating as a professional services business since 1996, and built its professional services business through acquiring accounting, benefits, technology, valuation, medical billing and other service firms throughout the United States. Effective August 4, 2006, CBIZ transferred the listing of its common stock to the New York Stock Exchange (“NYSE”) under the symbol “CBZ”. Prior to August 4, 2006, CBIZ’s common stock was traded on the NASDAQ National Market under the symbol “CBIZ”.

As a national leader in employee benefit consulting we provide our clients strategic guidance, solid advice, best in class ongoing support and measurable outcomes. With a long history of supporting healthcare and companies, rest assured that we have the expertise to guide and support your team.

### National Presence

CBIZ is a provider of professional business services to companies throughout the United States. CBIZ employs more than 4,100 professionals in 100 offices nationwide.

CBIZ is:

- No. 1 Benefits Specialists in the U.S. as ranked by Business Insurance 2015.
- No. 1 America’s Best Employer in Consulting and Accounting as ranked by Forbes Magazine in 2015.
- 13th largest Property & Casualty firm in the U.S.
- 7th largest accounting firm in the U.S.
- One of the largest valuation firms in the U.S.



The Proposing CBIZ Team:

- 750 Clients
- Manages over \$325 Million in Employer Sponsored Premiums
- Staff of over 40 Licensed Professionals
- Expertise in:
  - Population Health Management
  - Multiple location servicing, enrollment, and communication strategies
  - Mergers & Acquisitions
  - Regulatory Compliance
  - Insured Funding consulting to include Fully, Alternative, Partial, and Self-Funded
  - Pharmacy Benefit Management and Consulting



# Brokerage Services for Insurance and Employee Benefits

## *Financial, Mission, and Value Statement (Questions 3 - 5)*

### Financial information

CBIZ's growth and unique consulting philosophy has caused the financials to outpace all of the competitors in their peer groups as reflective with the stock price outpacing the S&P 500. For more information surrounding CBIZ's financial standing, please review the information from our **Annual Report** in the appendix of the RFP.

The purpose of CBIZ is to help our clients prosper by providing them with a wide array of professional business and individual services, products, and solutions to help them better manage their finances and employees. We endeavor to provide superior client service and build long-term client partnerships.

Our unwavering commitment to our clients is equaled by our commitment to our associates and our focus on improving shareholder value. With our clients as our central focus, CBIZ is committed to fostering a professional culture that is supportive and motivating to its associates by recognizing and rewarding high performance. We value our employees and have embraced programs that enhance our employee's experience, such as Great People Great Place (GP2) and CBIZ Women's Advantage. These programs focus on creating the environment for employee development and career advancement.

Our core principles further strengthen the capabilities of our staff, deepen our client partnerships, enhance the quality of our services and increase job satisfaction. **DUNS Number: 965738701**

### Mission Statement

To provide exceptional advice and solutions that help our clients achieve their goals.

### Vision Statement

To be recognized by our clients as the premier provider of accounting, insurance and other professional business services and by our team members as their employer of choice.

### Core Values

- We do the right thing.
- Our people matter.
- We are dedicated to the success of our clients.
- We want to win.
- We are One CBIZ.



## Brokerage Services for Insurance and Employee Benefits

### ***Sarbanes-Oxley (Question 6)***

As a public company, we are subject to the provisions of the Sarbanes-Oxley Act of 2002 to reform the oversight of public company auditing, improve the quality and transparency of financial reporting by those companies and strengthen the independence of auditors.

With respect to CPA firm clients that are required to file audited financial statements with the SEC, the SEC staff views CBIZ and the CPA firms with which we have contractual relationships as a single entity in applying independence rules established by the accountancy regulators and the SEC. Accordingly, we do not hold any financial interest in an SEC-reporting attest client of an associated CPA firm, enter into any business relationship with an SEC-reporting attest client that the CPA firm performing an audit could not maintain, or sell any non-audit services to an SEC-reporting attest client that the CPA firm performing an audit could not sell, under the auditor independence limitations set out in the Sarbanes-Oxley Act of 2002 and other professional accountancy independence standards. Applicable professional standards generally permit us to provide additional services to privately-held companies in addition to those services which may be provided to SEC-reporting attest clients of an associated CPA firm. CBIZ and the CPA firms with which we are associated have implemented policies and procedures designed to enable the Company and the CPA firms to maintain independence and freedom from conflicts of interest in accordance with applicable standards. Given the policies set by us on our relationships with SEC-reporting attest clients of associated CPA firms, and the limited number and size of such clients, the Sarbanes-Oxley Act independence limitations do not, and are not expected to, materially affect our revenues.

The CPA firms with which we maintain ASAs may operate as limited liability companies, limited liability partnerships or professional corporations. The firms are separate legal entities with separate governing bodies and officers. Neither the existence of the ASAs nor the providing of services thereunder constitutes control of the CPA firms by us. CBIZ and the CPA firms maintain their own respective liability and risk of loss in connection with the performance of their respective services. Attest services are not permitted to be performed by any individual or entity that is not licensed to do so. We are not permitted to perform audits, reviews, compilations, or other attest services, do not contract to perform them and do not provide the associated attest reports. Given this legal prohibition and course of conduct, we do not believe it is likely that we would bear the risk of litigation losses related to attest services provided by the CPA firms.

Although the ASAs do not constitute control, we are one of the beneficiaries of the agreements and may bear certain economic risks. As such, the CPA firms with which we maintain ASAs qualify as variable interest entities. Refer to Note 1, *Organization and Summary of Significant Accounting Policies*, to the accompanying consolidated financial statements for further discussion.

As of December 31, 2016, we believe we are in compliance with all governmental and professional organizations regulations in which we provide services.

### ***Errors & Omissions Insurance (Questions 7 - 9)***

Our errors & Omissions Insurance coverage is up-to-date and included in the addendum. I have not had any claims filed against mine or any member of my team's Error's & Omissions policy. We are not ISO Accredited, but will consider its value if deemed important by Bradley.



## Brokerage Services for Insurance and Employee Benefits

### ***HIPAA Secure Environment (Question 10 & 15)***

- For electronic transmission we utilize the secure feature through e-mail and are not allowed to use non-encrypted jump drives or other non-secure electronic resources
- All client documents are secured via lock and key on a nightly basis on the premises.
- After 3 years, documents are stored offsite at Smith & Hammaker

As part of our strict protocol towards HIPAA, we will only use the Bradley data for the purposes of servicing the benefits plan.

### ***Philanthropy, Diversity, and Sustainability Initiatives (Questions 11 & 12)***

CBIZ is heavily involved in Philanthropy and community involvement. The following initiatives have collectively built our cornerstone in the philanthropy sector:

- Annual National Food Drive – Collected over 3 million pounds of food
- Dress for Success – Collected thousands of items and donated \$325,000 to the organization
- Also, we participate on local levels with.... Juvenile Diabetes Research Foundation, American Lung Association, Rainbow Babies & Children, Sacred Heart Community Services, Blue Ridge Autism & Achievement, and many more.

Our diversity platform began with the implementation of CBIZ Women's Advantage. CBIZ Women's Advantage celebrates the uniqueness of the woman business professional.

Internally, we direct the development of our women professionals through focused leadership, mentoring, networking and professional development programs. Externally, we provide women decision makers access to a network of highly skilled, seasoned, professional women to assist their every business need. We are "CBIZ Women Helping Women Succeed in Business."

#### **Our Goals:**

- Create a competitive advantage by attracting, retaining and engaging talented women
- Integrate the Program with CBIZ's ethical and established business principles, which creates a measurable impact on CBIZ's business development and revenue generation
- Strengthen internal and external recognition of CBIZ women and communicate the Program's alignment with CBIZ's business strategy

#### **What's the Advantage?**

Professional Growth • Mentoring Opportunities • Visibility & Recognition • Personal Satisfaction • Networking Opportunities • Business Development • Community Outreach • Shareholder Value





## Brokerage Services for Insurance and Employee Benefits

### BizWomen Mentoring Monday

CBIZ was a national sponsor of the 2<sup>nd</sup> annual Mentoring Monday event hosted by the *American City Business Journals*. This year, the event included 43 cities in the U.S., 1,800 mentors and 8,000 mentees. Using a speed-coaching format, successful women in each market act as mentors and offer career advice to about 200 women in their cities.

### Green Initiatives

CBIZ is continually doing our part to be good stewards of our environmental impact. Over the last 5 years, our offices have worked diligently to become automated and have all of our records electronic. What paper we are using, we utilize shredding services which sell the waste to paper recycling, and we also subscribe to an outside recycling service. We will continue to improve our initiatives on an annual basis.

### ***Business Continuity Plan (Question 14)***

#### **CBIZ Disaster Recovery-Business Continuity Plan Overview**

CBIZ, Inc. has in place standardized methodologies, procedures, and system utilities for disaster recovery planning purposes. Quality assurance tasks include performing daily backups of all business data residing on CBIZ servers, review and recording of daily backup reports, system and data restoration testing, offsite tape vaulting by industry recognized hosting providers, and internal and external audits of defined IT controls.

Recovery procedures are in place to capture both business applications and data from either backup tape or replicated data present at other CBIZ locations. These systems and data can be restored at one of the designated CBIZ locations (nearly 100 offices) on the CBIZ MPLS wide area network infrastructure. System and data restore testing occurs based on a defined schedule and status reporting provided monthly to the CIO office.

We do not provide an actual copy of our Disaster Plan due to the confidentiality and sensitivity of the information. We welcome a discussion to provide more details on our incident response and recovery procedures. Listed below is high level overview of the Plan information:

- I. Plan Overview, Scope, Assumptions
- II. Team Structure
- III. Plan Activation
- IV. Response Plan Section-Incident Response, Course of Action, Damage Assessment
- V. Business Recovery Section – Levels, Situations Strategies
- VI. Recovery Plan Approach- Loss of Facility, People, Technology, & Vendor Services.
- VII. Disaster Recovery Plan Maintenance
- VIII. Critical Systems and Outage Scenarios
- IX. Assignments and Responsibilities
- X. Procedures

In the event of a site event disaster, use of existing CBIZ office space located throughout the country as well as secure remote VPN network access ensures business operations can continue until the local office can be re-established.



## Brokerage Services for Insurance and Employee Benefits

Further expansion has also been made to the DRP-BCP process which includes:

- An Alert notification system to communicate to staff on status of a site incident/disaster.
- Standardized response and recovery checklists.

Expanded business risk /department level recovery templates to capture departmental level critical procedures.

- Communication procedures, preventative steps, team assignments, and loss strategies/methodologies are defined in the plan framework.

### The Team

#### *Accomplishments and Differentiating Factors (Question 13, 14, & 27)*

We are a National employee benefits firm which specializes in finding the best way to maximize every benefit dollar spent. Our platform begins with the foundation of a mutually agreed upon month-by-month timeline of consulting and servicing activities coupled with an annually updated three-year benefits strategy (see examples in the appendix). The month-by-month activities will include, but not be limited to:

- Bi-Weekly calls with our Service Management team to discuss ongoing and closed service functions
  - Our service team is unique in structure through specialization:



- Monthly financial reporting through our Actuarial and Financial team headed by Fred and Marion Schremp
  - Our team incorporates the Verisk and Navigator MD platforms for Data analytics, benchmarking, forecasting, and wellness strategy
  - Predictive modeling 12, 24, 36, and 60 Months



## Brokerage Services for Insurance and Employee Benefits

At CBIZ, our unique structure is created based on the needs of each individual client rather than a uniformed setup. For Bradley Arant Boult Cummings, we look at our national scope of CBIZ and determine who has the best knowledge and experience for this account to ensure best-in-class service. Our competitors are likely to place the best in their office to service Bradley Arant Boult Cummings. The different CBIZ offices provide unique skill-sets based on the market for which they reside.

Bradley Arant Boult Cummings is a unique entity in that it is a large multi-specialty acquisition type medical practice. Bradley Arant Boult Cummings requires skill sets in the large medical practice industry with a specialty in population management, fluent knowledge and national relationships in all aspects of funding for benefits, communication and enrollment experience at multiple-site locations, as well as analytics of finances. We have pulled the best-of-the-best to fulfil these needs for Bradley Arant Boult Cummings.

As it pertains to assisting our partners in the Benefits and Human Resources department, we are often involved in the preparation of presentation materials to our client partners' boards of directors including PowerPoint presentations, exhibits, and other materials as needed to best convey the approach our collective team has agreed upon.

We will provide an initial analysis of the offered benefits at entities our client partners are considering acquiring, consulting with our internal compliance resources to identify possible issues or inconsistencies. Our client partners trust our judgment in these situations and we are happy to offer our impressions, but we follow that with the recommendation that an official analysis be conducted by the attorneys.

In general, we believe that a successful partnership is founded on three pillars: Employer Administrative Support, Financial Stewardship, and Employee Experience. We refer to these pillars as our Guiding Principles and find that the majority of our skills and services fall into one of them, as can be seen below:

### **I** Financial Stewardship

- Manage health plan costs through Population Health Management and Analytics
- Analyze current benefit strategy, plan designs, financials
- Create multiple plan design & financial options
- Benchmark reporting
- Conduct annual marketplace "RFP" process
- Financial monitoring
- Implement and manage Wellness / Risk Management initiatives
- Renewal management

### **I** Administrative Support

- Ensure benefit regulatory & compliance standards
- Reduce administrative time
- Employee surveys
- Vendor / carrier interviews
- Complete program set-up
- Manage open enrollment
- Design employee education & communication strategy
- Coordinate carrier / vendor liaison for all carriers
- Claims/subrogation auditing
- HR support services & employee benefit administration

### **I** Employee Experience

- Provide cost effective & creative options to enhance employee benefits
- Create/Deliver employee education & communication materials
- Focus groups / peer group surveys
- Manage open enrollment
- Employee Help Line
- Claims advocacy
- Wellness and other Risk Management initiatives
- Customized benefit website
- Online Enrollment Platform (mobile app available)



## Brokerage Services for Insurance and Employee Benefits

### Key Personnel

- Don Hurwitz – Principal relationship for Bradley Arant Boult Cummings. Disability Specialist, and team manager.
- Ken Rideout – Works in conjunction with Don and Cole to oversee the direction of the account, manage the team processes, attend meetings, and be a direct resource for Bradley Arant Boult Cummings.
- Cole Harris – Works with Ken to oversee the team’s functions for the agreement, implement cost containment strategies, attend and present at any requested decision meetings, and provide the framework for the future direction of the benefits program.
- David Rubadue, FSA, MAAA, CLU – Head of the Actuarial department tasked with the feasibility of alternate types of funding within the insurance plan.
- LaTonia McGinnis – Wellbeing expert working in combination with the team to provide compliance, strategy, and communication consulting as it pertains to your wellness program.
- Karen McLeese – CBIZ employed ERISA Attorney keeping clients up-to-date on compliance and Health Care Reform updates. Also, involved with any outside-the-box arrangements to ensure compliance.
- Mike Zucarelli, Pharm D - Pharmacist employed by CBIZ to provide Pharmacy Benefit Management and Consulting to Bradley and team. Dissects a Pharmacy contract to maximize discounts and rebates, while also consulting on best practices for formulary design.
- Dalih Suchett, CLTC, LTCP – Design, implementation, and service of the Long-Term Care programs
- Cathy Anthony – Manages the annual timeline, three-year strategy, service team, renewal process, and is involved in high-level claims issues.
- Service Team – Team of CBIZ employees whom provide advocacy for the Bradley Arant Boult Cummings employees on claims, benefit questions, ID card requests, and open enrollment transition

The lead CBIZ contact for Bradley Arant Boult Cummings will be at a local level with Cole Harris. Cathy Anthony will be the main Account Manager to provide day-to-day direction of the required work.

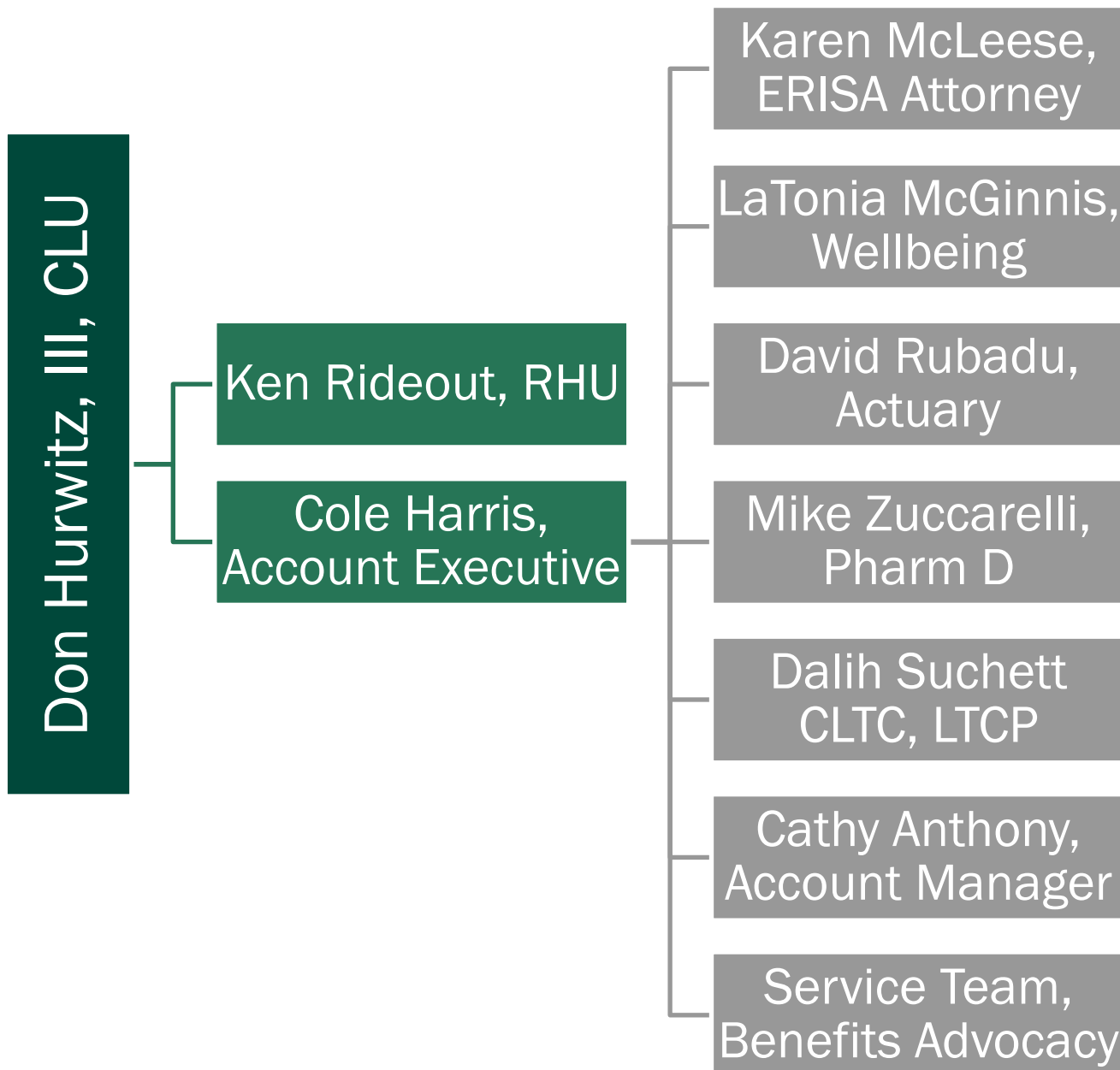


# Brokerage Services for Insurance and Employee Benefits

## Organizational Chart

The organizational chart listed below gives an illustration of how the team will work to maximize CBIZ's resources on Bradley Arant Boult Cummings's needs. Cole Harris will be ultimately responsible for coordinating the resources CBIZ provides to Bradley Arant Boult Cummings.

*Note: The below chart utilizes the descriptions and capacity each individual will serve for this project, and not their actual title, nor their direct report for employment.*



## Brokerage Services for Insurance and Employee Benefits

- Wellness Strategies
  - Wellbeing team to include our relationship with many vetted vendors for price and contractual concessions
  - ROI development based on programs
  - On-site clinic consulting
  - Strategy based on needs and utilization of client
- Compliance updates and recommendations on a monthly or as-needed basis
  - Provide annually updated “For Your Benefits” reference guideline
  - Educate regarding federal and state requirements (for example: COBRA, HIPAA, and Medicare Part D)
  - Provide updates and support compliance issues (“At Issue” publication)
  - Prepare 5500 forms
  - SPD & Wrap Document creation
  - Educational seminars and/ or webinars
  - Benefit Booklets to contain all required regulatory communications
- Communications
  - Benefit Booklets, Brainshark Enrollment Videos with hyperlink, In-Person Meetings, Bi-Lingual support
- Cost-Containment and population health strategies
  - Cole Harris, VP of TN – has built a reputation in the East TN environment for creatively containing costs through alternate funding strategies, and outside-the-box containment strategies. He has saved Fully-Insured clients consistently 15-20% over existing costs through alternate funding, and has created strategy in self-funding where none previously existed.
- Update to the Annual service timeline and three-year strategy on an annualized basis
- National Pharmacy Director to consult and provide National partnerships on various Pharmacy Benefit Managers for your benefits program
  - Through the creative strategies of our Pharm D., we were able to save over 1.2 Million through Pharmacy Consulting for a client with around 1,800 employees



## Brokerage Services for Insurance and Employee Benefits

### Experience and References (Questions 15 – 17)

Collectively, we currently manage over 750 clients with each receiving individualized custom support gleaned from a needs analysis at the outset of the relationship with the client. Our average retention rate is 90%. Our typical client size ranges between 50 – 3,000 employees and is assigned to the appropriate team based on size. Below you will find a listing of references.

#### Existing Clients

- Simplify Compliance – 525 Employees
  - Lawton Miller, CFO
  - P: 615.724.7272
- National Seating & Mobility, Inc. – 1,400 Employees
  - Ann Mahaffey, VP of Human Resources
  - P: 615.595.1115
- Husch Blackwell – 1,200 Employees
  - Levi Snow, Director of HR
  - P: 816.983.8901
- Baker & Hostetler LLP – 1,300 Employees
  - Michele Gray Merrill
  - Director of Human Resources
  - P: 216.430.2988
- Blount County Government – 2,000 Employees
  - Jenny Morgan, HR
  - P: 865.273.5781
- Barrette Outdoor Living – 1,200 Employees
  - Jonathan Gronow, VP of HR
  - P: 609.593.5428
- Carson Newman University – 350 Employees
  - Elaine Smith, Director of HR
  - P: 865.471.7164

### Brokerage and Consulting Services

#### *Overview of Benefits Administration (Question 18)*

Should CBIZ be chosen as the Benefit Consultant of choice for Bradley Arant Boult Cummings, our process would begin with gathering all plan data from the appropriate carriers, and having a meeting with the HR team to go



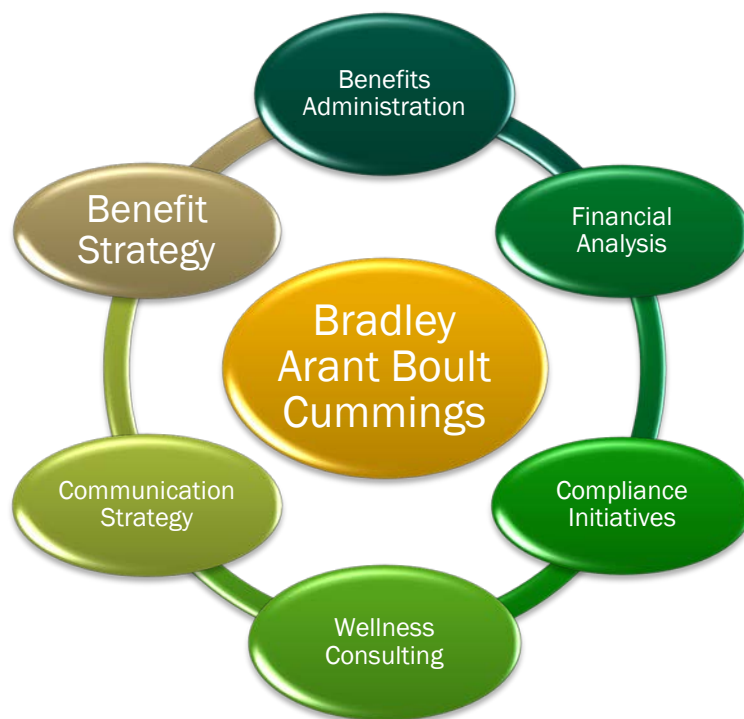
## Brokerage Services for Insurance and Employee Benefits

through all of Bradley’s policies, procedures, and greater detail about objectives. Our team is large in scope, deep in bench strength, and long in specialization, which will allow us to accomplish the duties outlined in the RFP.

Following the initial meeting, we will have the necessary data to put together a draft Annual Service Commitment Timeline. The Timeline will be collaborated on between CBIZ and Bradley Arant Boult Cummings until finalized and agreed upon. The timeline will serve as a tool to ensure all parties are on the same page as it pertains to activities performed and time required for proper implementation of the activity.

The three-year strategy is broader by nature than the Annual Service Timeline, but is seen as the blueprint for success of the benefits program. The first year is detailed out with strategy, with each subsequent year including a more general outline. The third year is updated on an annual basis to include changes due to the overall direction of Bradley Arant Boult Cummings, the effects of the prior year’s benefit changes, and the overall healthcare climate.

The maintenance portion will include the day-to-day activities in accomplishing all of the necessary activities established from above, and account for any unexpected deviations from the plan. Internal collaboration occurs within CBIZ throughout the servicing of your account as illustrated below:

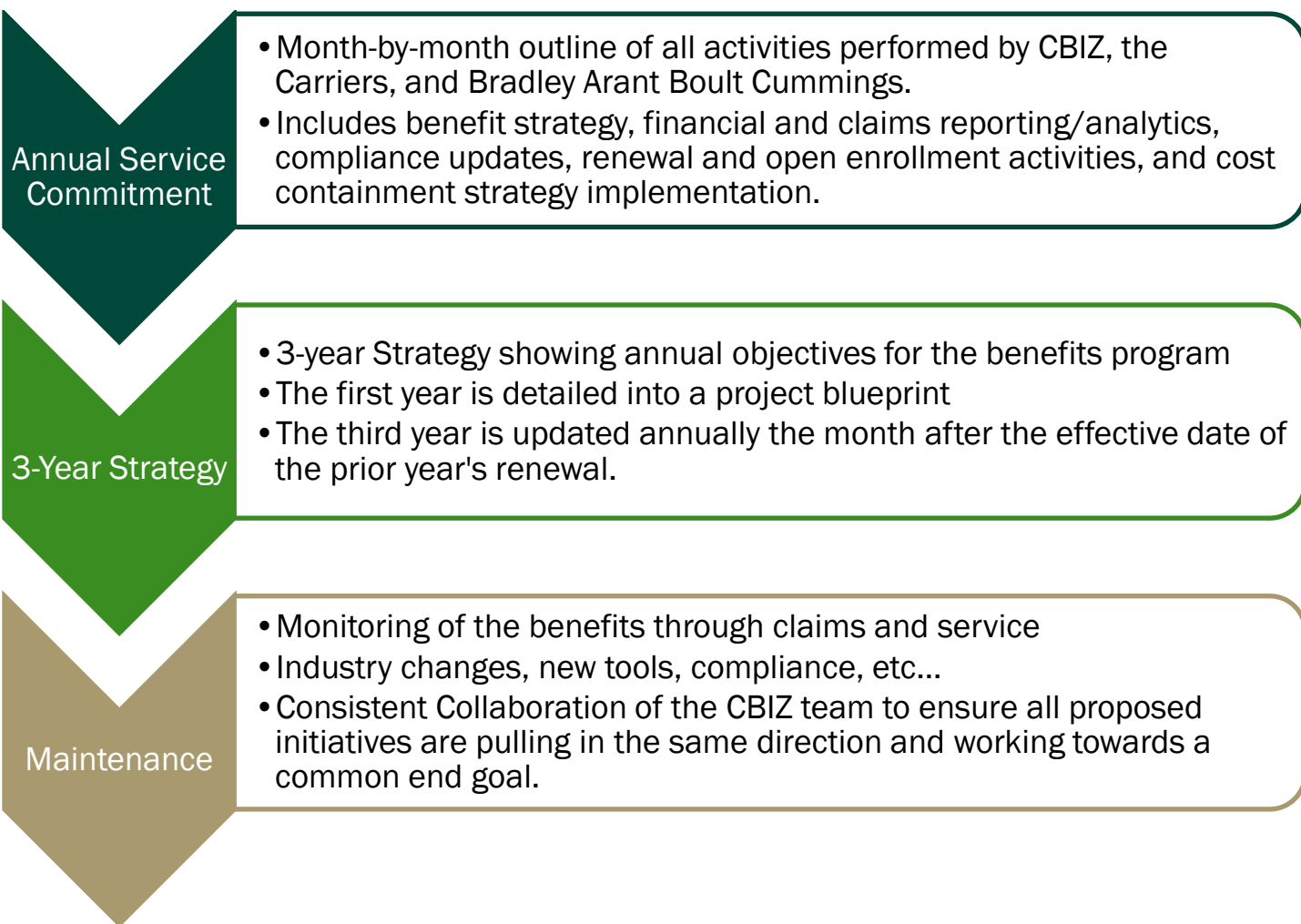


The below diagram illustrates the foundation for the success of the transition to CBIZ as your Benefits Consultant:





## Brokerage Services for Insurance and Employee Benefits



We have included a sample insurance renewal proposal prepared for a similar client in the appendix of this RFP.



## Brokerage Services for Insurance and Employee Benefits

### Bradley Arant Boult Cummings Transition (Question 19)

CBIZ is intent on providing continuous process improvement. Our first step is to identify Bradley Arant Boult Cummings's goal and develop a strategy for best achieving that goal, complete with a rubric for measuring success and clearly communicated milestones to gauge progress. Next we implement the proposed strategy and ensure the milestones are being met according to the established timeline, with updates on how the strategy is progressing. We will continuously measure the steps we have taken to see if it has addressed Bradley Arant Boult Cummings's goal. Once the measurement has been completed, CBIZ will provide analysis on the outcome and, partnered with Bradley Arant Boult Cummings will determine the success of the implementation or if a new strategy is required. This process will provide us with a common language, methodology, and expectations for quality and improvement.

#### Strategic Planning and Objective Setting

Designing, implementing, and managing value-based benefit plans that align Bradley Arant Boult Cummings's goals require strategic planning. Employee benefits are a substantial investment that affects multiple facets of the business, from company morale and employee retention to administrative efficiency and the bottom line. That's why CBIZ begins each engagement with benefit and human resource objective setting, to ensure that the benefit initiatives support the organization's business and financial objectives of Bradley Arant Boult Cummings.

CBIZ utilizes a Four-Phase process with metrics for goal attainment to ensure all agreed upon milestones are met.

#### Setting Short-Term and Long-Term Objectives – Phase One

The first step will be an in-depth review of Bradley Arant Boult Cummings's current situation. CBIZ uses the techniques developed in Phase I to gain insights to:

- Organizational, business, and financial objectives;
- The role of employee benefits in the total rewards package;
- The business and benefits landscape including corporate culture, workforce characteristics, multi-generational issues, and employee expectations;
- Impact of health reform and other regulatory issues.

During the planning sessions, CBIZ will listen, ask questions, and provide insight. We will consider a range of factors including benchmarking results, use of incentives, out-sourcing versus in-sourcing, vendor management, value-based plan designs, consumerism, and employee health and productivity.

#### Strategic Planning Outcome – Phase Two

CBIZ uses the techniques in Phase II to identify goals and objectives for benefits in the coming year and beyond. CBIZ will recommend collaborative solutions and develop a customized action plan to achieve our collective goals.



## Brokerage Services for Insurance and Employee Benefits

- Proposed services including potential renewals and marketing, health and productivity initiatives, communications, compliance activities, etc.; and
- Provide a timeline showing milestone activities, responsibility, and completion dates.

This will be a dynamic, working document, updated throughout the year to reflect additional issues or activities as they arise.

### Execution and Implementation – Phase Three

In Phase III CBIZ works with Bradley Arant Boult Cummings to execute the agreed upon strategy including but not limited to;

- Complete program set-up with carriers/plan administrators
- Manage Open Enrollment Process
- Design and Implement Employee Education & Communication strategy
  - Employee Meetings
  - Paper Communication Materials
  - Customized Website specific to your company's programs and personalized for each employee

### Measuring the Outcome – Phase Four

Lastly, in Phase IV CBIZ will monitor the results of our collective work always measuring results and recommending adjustments as necessary. Additionally, CBIZ will use these resources to get a 360 degree view of the current plan and provide solutions to maximize value in the future.

### *Carrier Relationships (Question 20)*

The following is a listing of our largest carriers we work with for our clients. Please note we will market each entity to the carriers based on client need, not based on carrier relationship. While we have National Relationships with the carriers below which will allow us to at times receive favorable results, we still market all relevant carriers as it pertains to your account for the benefits.

- BlueCross BlueShield of TN
- United HealthCare



## Brokerage Services for Insurance and Employee Benefits

- CIGNA
- Hartford
- Highmark Stop-Loss
- HCC Life Stop-Loss
- Principal
- Prudential
- Guardian
- Standard
- SunLife
- Mutual of Omaha
- Met Life
- Unum

The size of our clients depends on the servicing group working on the account. The group which will handle your account has an average client size of around 1,500. At CBIZ, due to regulatory needs and carrier standards, we split our accounts between our teams by the size of the client. An example would be that our accounts which have fewer than 50 lives are handled by our small group team. We have an intermediate sized team which tends to handle our accounts from 50 lives up to around 300. Our large group teams handle our accounts in excess of 300. The regulatory and benefits market for these size segments differ dramatically, allowing each team to specialize in their size segment.

At the onset of marketing your plans, our Specialist will gather all of your existing data and put together and RFP for carrier services. Upon reception of the bids, they will be organized based on relevance and worked to get as close to where we need them as possible. As necessary, we will arrange a finalist meeting either in-person or telephonically with our recommendations accompanying the meeting. Following the Carrier decisions, our team will hold implementation calls on a weekly basis until enrollment occurs.

### **Carrier / Vendor Performance & Exchange Evaluation (Question 21 & 22)**

The performance of our carriers and vendors is of utmost importance as it is a direct reflection of our recommendations to Bradley Arant Boult Cummings. Our standard approach is to require providers (carriers) to agree to specific performance guarantees. The guarantees on service, reporting, and problem resolution are monitored by CBIZ on behalf of our clients. If the service is below standards and agreed upon service metrics are not met, the carriers will pay a penalty as permitted in the guarantee. We are consistently monitoring the Carrier performance through methods including, but not limited to:



## Brokerage Services for Insurance and Employee Benefits

- Service Logs – Maintained by the service team, this allows us to monitor and track issues or questions received from the membership at Bradley Arant Boult Cummings
- Bi-Weekly HR Calls – Our bi-weekly service calls with the HR team at Bradley will keep all parties informed of ongoing issues or progress pertaining to carriers
- Internal Monthly Meetings – Conversations internally within CBIZ to discuss all Bradley Arant Boult Cummings related items. At this time, we will also discuss what we are seeing out of the Bradley vendors from other clients

Our lead Actuary, David Rubadu, has a wealth of experience in evaluating and creating exchanges for clients in the stop-loss and healthcare realm. We will review exchange options as part of our marketing strategy.

### ***Day-To-Day Service (Question 23 & 24)***

Service has to be a core tenet of any Benefits Consulting Firm. At CBIZ, we take service to the next level with organization, outreach, and availability. The hours of availability for our team are from 7:00am – 6:00 pm Eastern Time Monday through Thursday, and 7:00 am – 5:00 pm Eastern on Friday.



Our communications begin with a plastic Service ID card which we make available to all of the Bradley Arant Boult Cummings employees which includes our Service Team's contact information and purpose to call. What might seem simple in concept, is incredibly unique in the market and has been invaluable to our clients. All service activities received into our office are tracked and reported through our servicing system. We are able to pull graphs showing most common inbound questions, time to resolve, and dates of occurrence.

Kari Presley leads our bi-weekly service calls in conjunction with your HR Team. Prior to the call, she will send out a list of open and closed service items year-to-date to discuss in detail each item. We will include a chart showing description of service during our quarterly and annual Stewardship Report discussion. See the sample report in the Appendix.

### ***Reporting and Analytics (Question 25)***

Through our National Resources, we have many various reporting capabilities to fit the needs of Bradley Arant Boult Cummings. Listed below, you will find a sampling of the more common reports provided. If the report Bradley requires is not listed, it is likely we have the ability to obtain, or create the requested report.

- Stewardship Reporting – An annualized report detailing the progress made over the prior year to your benefits program and a look ahead at goals for the future. The report summarizes CBIZ's activities for Bradley Arant Boult Cummings, and recaps our initiatives going forward.
- Monthly Experience Report – Monthly report showing on a calendar year and rolling 12-month basis of expenditures and revenues/funding. The expenditures are broken out on a fixed and variable cost basis, while the revenues/funding will show as Per-employee, Per-member, employer contribution, and total revenue/funding amount. The second part to the Experience report dives into the monthly trend, loss ratios, and future projections. The latter pages of the report dig into the pharmacy and large claimants as they affect the expenditures.



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- Quarterly Data Analytics Report – A deeper dive into the claims through our Verisk platform. Our platform is able to have a direct claims feed from the carriers to determine gaps in care, projected claims outcomes, future trends, and cost effects based on benefit design changes.
- IBNR / Reserve Valuation Report – Specific to self-funding, the IBNR report will provide the financial figures necessary to keep a viable health fund/allocation for the benefits package. This report is provided on a semi-annual basis.
- Service Report – Report detailing the day-to-day requests from the employees of Bradley Arant Boult Cummings provided on a bi-weekly basis.
- Benchmarking Data – A market analysis detailing plan design and contribution strategies.

Samples of the above reports are provided at the Appendix of the RFP response.

### Subject Matter Expertise

#### ***Subject Matter Experts (Question 28)***

A benefit to being a part of a National Organization is the ability to lean on Subject Matter Experts for areas of need to our clients. Below is a list of subject matter experts we have as resources which we feel could benefit Bradley Arant Boult Cummings:



#### **Karen McLeese, Vice President of Regulatory Affairs**

- Expert in Health Care Compliance and Reform
- Reviews and interprets Federal and State laws and regulations impacting employee benefits



#### **David Rubadu, FSA, MAAA, CLU, SVP of National Health Care Actuarial Services**

- Expert in feasibility analysis for funding vehicles of health plans and Captive creation



#### **Michael Zucarelli, Pharm D**

- Expert in Pharmacy Benefit Management platform evaluation and consulting
- Clinical recommendations as it pertains to formulary management



## Brokerage Services for Insurance and Employee Benefits

### *Communication Strategies (Question 29)*

The role of employee communication is to educate, inform, and promote employee goodwill. It can inject a consumer focus and foster a sense of shared responsibility. Most importantly, it can change perceptions and influence employee actions. At the outset, we will identify specific short-term and long-term communication objectives, and identify ways to make small but measurable change now that will ultimately lead to long-term, sustained change. Your dedicated Account Executive will develop customized employee communications and is supported by our national marketing team and resources. It is important to recognize that there will likely be several different segments of the Bradley Arant Boult Cummings employee population, and each segment might require a different approach with respect to employee communications.

#### **Communication Strategy**

In devising a communication strategy, we will:

- Examine your business and benefits landscape including demographics, culture, mission, and values
- Define objectives and desired outcomes, i.e. employee engagement and accountability, enrollment and utilization
- Assess recent communication efforts – what works and why?
- Explore available communication channels including online resources at home and at work
- Develop messaging and identify appropriate mix of media (where appropriate, link benefit messages to organizational values and vision)
- Leverage internal resources/peer opinion leaders to enhance credibility and ensure consistent messages

Available media include printed materials, web content, audio-visual, and face-to-face meetings, depending upon your preference and your internal capabilities. Materials may include newsletters, benefit decision guides, benefit books, announcement campaigns, wellness bulletins, summary plan descriptions, web blast announcements, online summaries. CBIZ will design customized communications for Bradley Arant Boult Cummings's employee population based on HR's feedback and input.

We take a multi-faceted approach to communications to ensure outreach to all levels of employees at all locations. The following are tools we employ to ensure maximum outreach:

- Benefit Contact Cards – a plastic ID card which serves as a single resource with contact information for any or all Bradley Arant Boult Cummings carriers.
- Brainshark – a web based tool we are able to embed into your Benefit Administration system which provides an open enrollment video presentation for the viewing pleasure of the employees and spouses. The system has the ability to include common questions in the middle of the presentation



## Brokerage Services for Insurance and Employee Benefits

to ensure attentiveness. The resource is valuable at time of orientation or open enrollment and at no cost.

- Direct or E-mail Custom Communications – As needed we are able to create custom pieces to fit the topic of discussion
- Benefit Booklets – a comprehensive booklet to include all of the required compliance language, and benefits provided by Bradley Arant Boult Cummings
- In-Person Meetings – As required and needed
- Bi-Lingual Communications – As required and needed

### *HR Services and Trends (Questions 30)*

Our Service Team and resources provide a back-office to the Bradley HR team which allows for a focus on its employees rather than researching benefits. Part of our services provides a complimentary HR resource through CBIZ HR Solutions. Through the HR Solutions product, you will have direct access to a certified HR person via phone for up to 4 hours per month, and unlimited access via the web. They are able to provide answers to HR Related questions which point to the letter of the law the subject in question. Also, the portal provides income benchmarking, sample policies, and handbook templates. These tools cut down significantly on the time spent researching on behalf of the Bradley team.

In addition, we provide CE qualified complimentary webinars which discuss all related HR and Financial related activities to a business. Also, at a small fee, our Human Resource Division provides the following services:

- Job Description Creation – We have a team of writers who will consult with the Bradley Arant Boult Cummings team about the position, and in turn write a compliant description for your review.
- CBIZ University – online learning management software which provides classes along with test at the end for Discrimination, Harassment, Leadership Training, or any other custom course you would want added.
- Compensation Studies – an in-depth compensation review position-by-position.
- Executive Recruiting – One of the nation's largest Executive recruiting entities.

Benchmarking provides insight into how benefits programs and practices vary across regions, industries and other key factors, and where your benefits fit in. CBIZ can provide a benchmarking analysis of your benefit offerings, costs, plan designs, demographics, and contributions compared to other employers.

Benchmarking sources include:

- Navmd;
- Verscend;





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- U.S. Chamber of Commerce;
- Kaiser Family Foundation and Health Research & Educational Trust Employer Health Benefits;
- Employee Benefits Research Institute (EBRI) Data Book on Employee Benefits;
- Society of Human Resource Managers (SHRM) Benefits Survey;
- Mercer National Survey of Employer-Sponsored Health Plans

As a result of our benchmarking analysis, we will provide observations on your current plan design, areas that may be above or below the marketplace, recommended changes, and funding alternatives. We will describe how your benefits align with your organizational objectives and employee expectations. We will also explore the implications of any potential benefit changes.

CBIZ will proactively conduct our benchmarking presentations and analyses in order to outline areas where design changes can be made or costs cut for the overall improvement of the plans.

### *Compensation Consulting (Question 31)*

Compensation is generally the largest portion of an HR budget. As such, it is critical that your compensation programs are competitive, fair, and legally compliant. Our team of experts will work with you to design, implement, and communicate employee and executive compensation and reward programs that help drive organizational success.



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### The CBIZ Difference

We subscribe to the same data resources and utilize the same methodologies as larger compensation consulting firms. However, due to lower overhead, CBIZ's services are typically offered at more competitive prices than our competitors. Further, "middle market" firms simply do not have the resources to effectively conduct high quality compensation analyses in a timely and effective manner. CBIZ offers you the unique combination of national resources and personal service.

### Base Compensation Program Development

- Conduct external market analysis (published &/or private survey data)
- Perform job evaluation
- Develop salary structure(s)
- Calculate financial impact

### Incentive Plan Design & Administration

- Develop reward & recognition programs
- Address funding, performance criteria, participants, size of award, allocation & payout modeling
- Administration, incl. monitor/maintain performance criteria & calculate payouts for management approval

### Executive & Director Compensation Analyses

- Evaluate total remuneration competitiveness & effective-ness, incl. base salary, annual incentives, long-term incentives, stock options, perquisites, etc.
- Long-term incentive plan design based on best practices, market competitive LTI levels, tax & accounting implications of different LTI vehicles

### Reasonable Compensation Opinions

- Conduct analysis to evaluate competitiveness of key executives' total compensation
- Non-Profit Organizations: determine whether executive compensation packages meet Intermediate Sanctions provisions

### Fair Labor Standards Act (FLSA) Reviews

- Assess position classifications as exempt or non-exempt from overtime provisions
- Properly classify new & existing jobs
- Calculate appropriate overtime pay
- Draft policies & procedures, including a "safe harbor" policy to administer FLSA compliance

### Performance Management Program Design & Administration

- Design tools aligned with your organization's goals & values to utilize in managing compliance performance
- Train supervisors
- Initiate & oversee completion of forms (may include 360° appraisal process)
- Implement associated pay increases
- Maintain records

### Development & Maintenance

- Conduct job analysis to develop job descriptions in accordance with FLSA & ADA specifications
- Ensure current & accurate job descriptions based upon duties & responsibilities

### Salary Administration

- Maintain competitive salary ranges
- Calculate pay increases in accordance with policies & payroll budget

### Private Survey Development, Administration & Analyses

- Conduct confidential private surveys of peer organization practices regarding compensation & related issues, incl. incentives, benefits, etc.
- Develop aggregate report of findings

## Compliance (Questions 32, 33, & 35)

CBIZ is unique in our ability to provide compliance services. Our team consists of our ERISA Attorney, Benefits Experts, Actuarial department, Pharm-D, the Liability Department, Accounting Division, and Risk Advisory Services. We are the Nation's only entity with all these resources under one roof. With CBIZ's foundation beginning in the Medical Practice industry, our knowledge base specifically fits the billed needs for Bradley Arant Boult Cummings. Our team will begin with a meeting outlining all business related activities your Practice provides with a timeline-based approach as a follow-up. The following tools are utilized:

- Benefits Compliance Checklist – Details all reporting, communications, and other compliance requirements as deemed necessary by the DOL and IRS.
  - a. Employs our Benefit Experts, ERISA Attorney, Actuary, and Cafeteria Plan Auditor
- Cyber Security – We have a combined division between our Risk Advisory Services and Liability department to do a full review on your Cyber Security measures with recommendations made following the audit.



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- PCI Compliance – Similar to Cyber Security, our PCI compliance department is known nationally to prevent or control losses as it pertains to credit cards.
- Retirement Audit – As you merge existing practices into Bradley Arant Boult Cummings, many times you will come across the issue of having multiple retirement plans needing to be merged. This is a complex exercise ripe with penalties when performed incorrectly. Our team walks you step-by-step through the process.

In addition, we provide the following resources:

### Regulatory Affairs and Compliance

- In-house Regulatory Affairs Attorney and Staff
- Assist with federal, state and local requirements (COBRA, FMLA, ACA, etc.)
- Provide proactive updates on pending legislative issues with required actions / impact(s) identified
- Provide “For Your Benefit Booklet” for HR Department and staff
- Compliance checklists and review Regulatory Compliance Calendar
- Regulatory Updates – “Benefit Beat”
- Time Sensitive Communications – “At Issue”
- Periodic and timely access to webcast and compliance sessions
- Annual HIPAA Privacy and Security training webinar to comply with employer’s annual compliance
- Health Care Reform Regulatory Updates

### CBIZ EMPLOYEE SERVICES ORGANIZATION

- Provide assistance with ERISA compliance, including needed document(s)
- Review or arrange non-discrimination testing for all applicable plan(s)
- Review Regulatory Compliance Calendar
- Annual Form 5500s requirement for completeness and compliance

### HEALTH CARE REFORM

- Health Care Reform Analyzer (if needed).
- Make recommendations on appropriate 1094/1095 software
- Regulatory updates and webinars upon changes to requirements



## Brokerage Services for Insurance and Employee Benefits

- Notices and information for PCORI and Transitional Reinsurance Fee due dates and amounts
- Evaluate plans to ensure compliance

While the lists above are not all encompassing, it is a summation of the services we deem important for Bradley Arant Boult Cummings. Please note, some of these services not related to benefits will include a nominal fee.

### ***Wellness (Question 34)***

CBIZ will measure Bradley Arant Boult Cummings's Return on Investment by basing all comparisons on average trends. First we will look at the historical local trend (Bradley Arant Boult Cummings itself), from there we expand the scope to compare your programs to trends in the larger healthcare industry, and finally we will compare it to the general community when wellness was implemented. This method will help determine how effective and successful the wellness programs have been in managing the health of Bradley Arant Boult Cummings's population

Additionally, CBIZ is a national leader in developing and implementing health and productivity strategies and wellness programs, with more than 15 years' work in the field. Bradley Arant Boult Cummings, like most employers, is continuing to search for ways to manage ever-increasing health care costs in a highly competitive environment as you strive to remain a high-performing organization. It is a fundamental fact that you need healthy and productive workers to maximize your business and financial objectives, and drive sustainable growth. The best way to control health care expenditures is to avoid them in the first place. And when you have preventable costs, you should effectively manage their reduction.

CBIZ understands that genuine cost control goes much deeper than benefit coverage, deductible levels or provider networks. Ultimately, it's about developing and maintaining a healthy and productive employee population to reduce health conditions that fuel claims and premium increases. That's why we've created the most comprehensive proven wellness program on the market. By implementing CBIZ Wellness Solutions, you can restrain soaring costs and boost productivity. For CBIZ clients, the result has been lower trend in health care premiums, improved health and productivity of their employees, and improved health of their covered dependents.

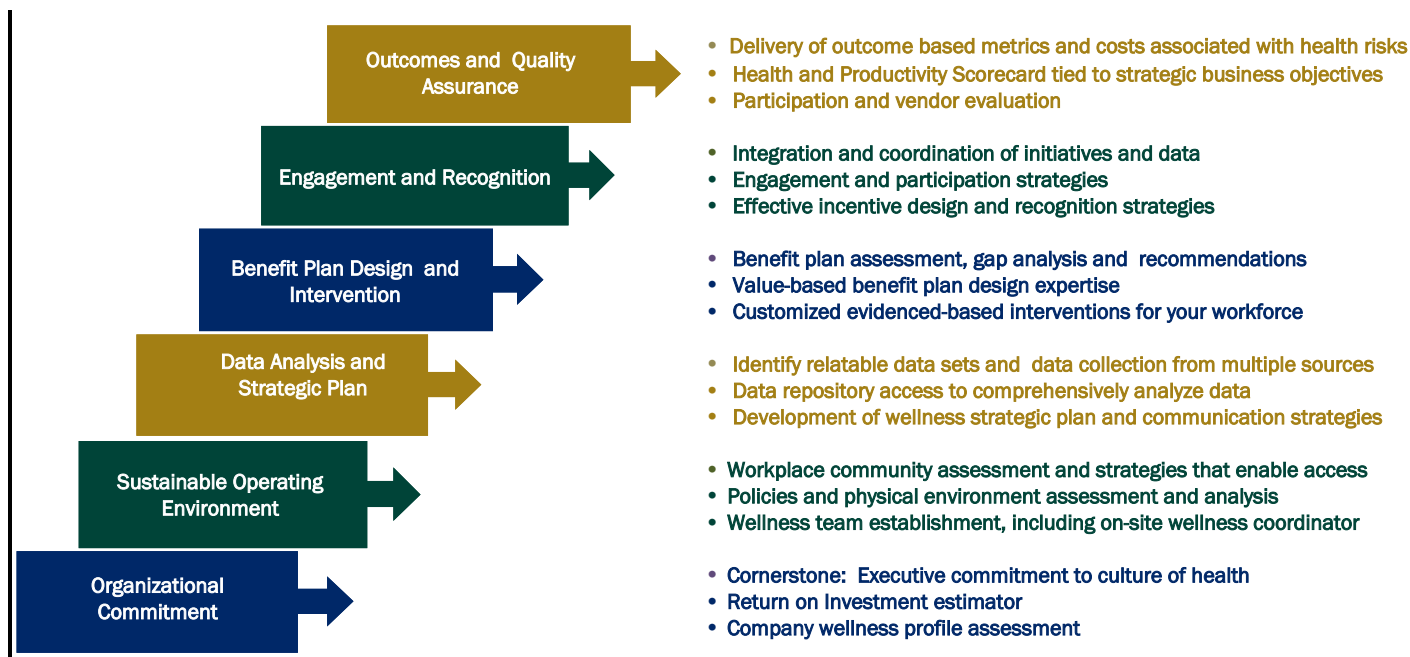
Using CBIZ Wellness Solutions, we will help you identify and address the root causes that underlie rising health care costs in the Bradley Arant Boult Cummings organization.



# Brokerage Services for Insurance and Employee Benefits

## Six Pillars of an Effective and Measurable Wellness and Risk Management System

## CBIZ Wellness Solutions Differentiators:



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Success is ultimately measured in lower annual trends and in fewer high-risk and medium-risk employees and a greater number of low-risk employees and the other factors on the Health and Productivity Scorecard. It is also seen in greater wellbeing of the employee which directly affects their energy, vitality, productivity and satisfaction, which enhances your organization’s profitability.

A recent study by a top research firm found that employers with highly effective programs were 3.5 times more likely to say that their medical costs were lower than those employers whose programs were rates as less effective. They also reported lower sick leave costs 5 times as often and lower long-term disability costs 4.5 times as often as employers with less effective programs. Organizations with the most effective health and wellness programs experienced superior performance in three significant business areas: they achieved 20% more revenue per employee, had 16.1% higher market value and delivered 57% higher shareholder returns.

Evidence that supports the effectiveness of CBIZ’s Wellness Solutions includes the follow:

- Since implementing a health and productivity strategy to improve the wellbeing for CBIZ’s 6,000 employees in 2004, we’ve reduced corporate health costs to an average trend increase of 1.4% versus an industry



## Brokerage Services for Insurance and Employee Benefits

average of 7.7% from 2005 to 2008. That translates into total savings of approximately \$12 million for the same time period.

- A law firm client saved \$8 million over five years and lowered trend increases year-over-year by boosting employee self-direction and engagement.
- A school district that followed CBIZ recommendations was able to consistently hold health cost increases at 2% below trend over a 10 year period for a cost savings of more than \$15 million.

The logic of controlling costs by improving employee wellbeing is self-evident. However, it is important to emphasize that in order to produce zero trends and a significant ROI, executives and all levels of management within an organization must make a commitment to creating a culture of health, and self-leaders of employees, as part and parcel of their *business strategy*. This will likely require executive participation, and cultural, policy and environmental changes in the workplace.

Research has shown that a well-executed wellness strategy can indeed generate benefits. While virtually every employer can have some level of a wellness program in place as a result of carriers including some form of these services in the benefit plan offerings; just having these services available does not constitute an effective wellness strategy that will necessarily produce measurable outcomes or return on investment. CBIZ recommends the Bradley Arant Boult Cummings develop its own strategy and not default to the carriers' perspective to determine the program. CBIZ will guide you in expanding upon your current strategy and will coordinate the resources within your carrier and other vendors to implement your plan.

There is no understating our belief that through combing wellness solutions with population health and value-based payment systems, costs will become more predictive and stable due to the ability to better identify potential risks of chronic diseases and acute liabilities. In order to ensure the long-term stability of your health plan, it is essential that these measures be taken, especially if a self-funded medical plan is determined to be a viable course of action.

*"CBIZ is ahead of the market in its offering of innovative employee health and productivity solutions and continues to provide industry leadership."*

*Tom Bowser, President  
Blue Cross and Blue Shield Association*

### **Prescription Analysis and Recommendations**

The CBIZ National Pharmacy Practice is a resource for our clients and local CBIZ offices. Our clients' pharmacy benefit continues to be a growing component of total healthcare costs. Through collaboration across our specialty practices, CBIZ offers an integrated approach to healthcare consulting. The pharmacy team brings our clients robust clinical and consulting expertise in order to navigate the ever changing landscape surrounding the pharmacy benefit.

The National Pharmacy Practice works closely with large self-funded plan sponsors and performs a variety of



## Brokerage Services for Insurance and Employee Benefits

strategic consulting services including, but not limited to:

- Carrier or PBM pharmacy contract review – Carve-in and Carve-out
- Pharmacy Benefit Manager marketing (procurement)
- Plan design and benefit management
- Implementation oversight
- Market check (as allowed in current contract)
- Annual pharmacy experience review and clinical recommendations
- Vendor management
- Retiree specific drug strategies including Employer Group Waiver Plan (EGWP) and Retiree Drug Subsidy (RDS) support
- Ad-hoc projects (e.g. onsite pharmacy, 340B optimization, etc.)

The CBIZ pharmacy practice consults with clients to review past pharmacy experience and provide strategic recommendations pursuant to their specific needs and corporate culture while also providing guidance around best practices for pharmacy management.

The National Pharmacy Practice is led by Michael Zucarelli, PharmD who is a licensed and practicing pharmacist. The practice offers our clients a breadth of pharmacy expertise ranging from marketplace perspectives, vendor capabilities as well as valuable practical and clinical knowledge. The pharmacy team will collaborate with the local consultants and actuarial teams to provide pharmacy specific guidance as it pertains to health care reform, industry trends and the specific objectives of each client. The team will work with current or prospective pharmacy benefit managers to maximize the value of each dollar spent on pharmacy.

This includes:

- Achieving the best price through contract renewals and performance guarantees
- Ensuring the safe and appropriate use of medications through clinical recommendations
- Working with vendors to optimize distribution channels including site of care
- Collaborate with vendors to ensure adequate reporting of pharmacy expenditures
- Ensuring medical, disease management, and PBM vendors are accountable for medication adherence and outcomes
- Aligning strategies to prepare for impactful drug launches or guideline changes and clinical recommendations to mitigate upward trend pressures
- Meeting the needs of State and Federal regulations including provisions of health care reform



## Brokerage Services for Insurance and Employee Benefits

### Additional Services and Expertise

#### *Cost Control Services (Question 36)*

Cost Control strategies are our differentiator when compared to the benefit consulting market. We are up-to-date and ahead of the curve when it comes to outside-the-box strategies to contain costs. The methods we have researched and implanted for clients across the Country include, but are not limited to:

- Clinical claims consulting and compliance – With the 30 + years in Healthcare experience, we will review process as it pertains to claims with a point-of-service at a Bradley Provider to determine strategies to bring significant cost savings in an insurance contract compliant manor.
- Medical, Dependent, and Network Access Fee audits – Resulting in significant cost recouping and future savings based on findings.
- Pure Captive – If it is determined self-funding makes most sense, our Actuarial team has developed a method to create a captive which serves only Bradley Arant Boult Cummings. In turn, this allows for complete control along with all cost savings to revert directly to Bradley.
- Prescription Consulting – More information listed below:
- Cost Transparency Tools – an integrated tool which allows for the transparency of facility charges creating an incentive to lower claims costs on the employee and the Practice
- Bariatric Benefits – a Bariatric benefit and network providing services for authorization and post-op coverage with significant savings from future claims
- Reference Based Pricing Model – a growing trend to review various network contracts to reduce overall costs
- Direct contracting – Direct contracting with major facilities at a reduced rate from provider contract
- Onsite Clinic – Our onsite clinicians will provide consulting on structure, purpose, and contract
- Wellness Strategies – in depth detail listed below:





## Brokerage Services for Insurance and Employee Benefits

### Outsourcing and Partnership Services

#### *Integrated Partner Solutions (Question 39)*

We work closely with the Todd Organization which has a deep subject matter expertise on group and individual disability income insurance and long term care insurance provided through the Nashville office of The Todd Organization (Don Hurwitz, CLU and Dalih Suchet, CLTC). Proprietary group disability income solutions and a marquee client list including HCA (Hospital Corporation of America) and LifePoint Health.

Under the CBIZ umbrella are two divisions including Financial and Accounting Services along with Employee Services.

- Retirement Planning
  - TPA and Financial consulting
- Property & Casualty
  - Captive creation and management
  - Medical Malpractice Division
  - Cyber-Security Consulting
- Human Resources
  - Compensation Consulting
  - Job Description Creation
  - Leadership Training
  - Employee Web-Based Training Modules
  - Executive Recruiting
  - Learning Management Software
- Actuarial
- Accounting and Audit
  - Valuation
  - Mergers and Acquisition
  - Cyber-Security
- Executive Benefits
- Human Capital Management
  - Payroll
  - Timekeeping
  - Benefit Administration System



## Brokerage Services for Insurance and Employee Benefits

### Fee / Commission / Service Promise (Questions 40 & 41)

The proposed fee arrangement is utilizing a fixed-fee method to provide services to Bradley Arant Boult Cummings.

- The assumptions used in determining the rate include:
  - 1,400 minimum professional work hours
  - 900 total eligible employees
  - Applicable fixed costs for travel, office supplies, salaries, etc....
  - The employees deemed necessary to service the account

The arrangement below would assume any revenue received pertaining to Bradley not directly paid by the Practice will offset the fees listed below. Should the situation arise where fees plus additional compensation exceed the listed amount below, CBIZ will refund back to Bradley Arant Boult Cummings the difference. To achieve the benchmark incentive after Year 1, will require keeping costs Per Employee per Month at or below the average of the last 2 years PEPM prior to the engagement with CBIZ. The advantage with the included incentive to Bradley is to show we will partner with you to control overall costs, while not burdening the practice with higher increases in the instance of a difficult claims year. Should, in any year, Bradley not reach the PEPM benchmark, we will revert back to the \$200,000 for the following year after the study. If after the year, we are back at or below the benchmark, the increase will be based on the most recent incentive based year. Illustration is listed below:

	Year 1	Year 2	Year 3	Year 4
<b>Total Fixed Cost</b>	\$200,000	\$200,000	\$200,000	\$200,000
<b>Potential Benchmark Incentive (compounded)</b>	0%	4%	4%	4%
<b>If Benchmark Reached</b>	\$200,000	\$208,000	\$216,320	\$224,972

- Only fees and commissions paid to CBIZ would offset overall fee structure
- Fees to be paid monthly
- We agree to disclosure and remitted requirements of the RFP
- We are not proposing a commission arrangement
- Our philosophy is to provide a compensation structure which will allow us to provide our full resources to the benefit of our client, and be incentivized to help the client control costs in lieu of benefiting from their increased costs of the benefits package.

#### Service Promise



## Brokerage Services for Insurance and Employee Benefits

Service is the number one tenant of any reputable organization. As such, we have put in writing on our website our service promise to our clients. We adhere to this tenant, and see it as the foundation of our success with our clients.

Direct from our website: <https://www.cbiz.com/about-us/company-overview/service-promise> -

We pledge to provide quality, attentive, responsive business services.

- **Individual Attention:** We will treat each client with the utmost care; we will develop and maintain a strong personal relationship; we will provide service with a commitment to professionalism, trust and the highest level of personal and professional integrity.
- **Responsive:** We will respond to a client's urgent need immediately; we will return all voicemail and e-mail communications within 24 hours; we will deliver and review all work products on a timely and as agreed basis.
- **Proactive:** We are committed to understanding the goals and needs of our clients, responding to such needs with our best service, advice and products. We will strive to provide our clients with innovative solutions and opportunities to improve and grow their business.

**OUR GUARANTEE:** IF YOU ARE NOT SATISFIED WITH OUR RESPONSIVENESS AND THE SERVICE WE HAVE PROVIDED, TELL US IMMEDIATELY-WE WILL CORRECT THE SITUATION TO YOUR SATISFACTION.



# Brokerage Services for Insurance and Employee Benefits

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## Addendums



## Brokerage Services for Insurance and Employee Benefits

### Bios:

#### Don Hurwitz, CLU

Consultant

[hurwitzd@toddong.com](mailto:hurwitzd@toddong.com)/615.742.8712

Don has thirty-four years of experience in working nationwide with companies of all sizes and professions, especially in the healthcare market. His expertise is in the creative design and implementation of group, executive and supplemental benefit programs - with a particular focus on disability income and long term care insurance.

Don has written several articles on disability and has been a guest speaker for professional organizations as well as at The National Association of Personal Financial Advisors' Southern Regional Meeting. He holds the designation of Chartered Life Underwriter (CLU) from the American College and is a graduate of Vanderbilt University.

#### Ken Rideout

President

CBIZ Benefits & Insurance of Tennessee

[KRideout@cbiz.com](mailto:KRideout@cbiz.com)/615.742.0300

Ken Rideout is the President and Lead Employee Benefits Specialist for CBIZ Benefits & Insurance Services of Tennessee. He specializes in large & mid-size group sales. He has served on the BlueCross BlueShield and United Health Care advisory boards and was on the original board which founded the Chattanooga Chapter of National Association of Health Underwriters.

#### Expertise

- Health Care Reform Impacts
- Compliance Standards
- Pharmacy Benefit Management
- Value-Based Purchasing
- Benefit Design
- Communications
- Wellness

#### Background

##### *Education/Professional*

- Bachelor of Science – Accounting, University of North Alabama
- Registered Health Underwriter
- Certified Long-Term Care
- Nashville Broker Advisory Council for BCBST, Humana and United HealthCare



## Brokerage Services for Insurance and Employee Benefits

### **Cole Harris**

*Vice President*

*CBIZ Benefits & Insurance of Tennessee*

cmharris@cbiz.com/865.251.5149

Cole Harris is the Vice President for CBIZ Benefits & Insurance of TN. Cole oversees and manages the sales and marketing efforts for the Tennessee market.

He has sat on the Advisory Board for all of the Major Medical Carriers. Cole specializes in the consultative approach to analyze current corporate strategies and recommend a comprehensive Blue Print. The tools to implement the recommended Blue Print include: Health Care Reform impacts, Compliance Standards, Pharmacy Benefit Management, Value-Based Purchasing, Benefit Design, Communications, Ease of Administration, Long-Term strategies, Wellness, and much more. He has participated in State-wide and City-wide panels and was a guest of a Chattanooga area Radio Station to discuss the impacts and areas of focus for Health Care Reform on area businesses.

Cole has worked with the Local Education Insurance Committee to continue BEP funding at the existing rate, while cutting costs increases to a County and School Board client in East Tennessee. In the first year, the expected savings on the health plan could reach \$2,000,000 through innovative consulting and tireless efforts.

### **Expertise**

- Health Care Reform Impacts
- Local Government / School Plans
- Compliance Standards
- Pharmacy Benefit Management
- Value-Based Purchasing
- Benefit Design
- Communications
- Wellness

### **Background**

#### *Education/Professional*

- Bachelor of Science – Business Management, University of Tennessee – Knoxville
- Past President and Board Member, Knoxville Association of Health Underwriters
- Knoxville Broker Advisory Council for BCBST, Humana and United HealthCare



## Brokerage Services for Insurance and Employee Benefits

### David Rubadue, FSA, MAAA, CLU

Senior Vice President

CBIZ National Health Care Actuarial Services

drubadue@cbiz.com/614.793.2458

David Rubadue serves as the national leader for health insurance and employee benefit actuarial engagements and initiatives. A recognized leader, David is periodically quoted via media on Health Care Reform and other issues. He has been an invited speaker and lecturer at many functions, most recently at the Tri-State Actuarial Club and the Insurance, Accounting and Systems Association (IASA) National meeting in Dallas, TX. He has performed expertise work (retiree medical), special morbidity studies (AIDS), and many unique forecasting projects that utilize his actuarial experience and education.

David has more than 27 years of experience. Prior to joining the organization, Mr. Rubadue was Co-founder and President of EBS, Inc. a benefits and actuarial firm acquired by CBIZ, Inc. in 1999.

### Expertise

- Morbidity Claim Reserve & Pricing Actuarial Certifications
- Morbidity Risk Assessments
- PPACA Financial Impact Assessments
- Statutory Financial Statement Opinions (Qualified Actuary)
- Pricing and Price Certifications
- Health care cost increase assessments
- Medical (Dental) underwriting guidelines and metrics
- Claim Reserve and Contingency Fund Actuarial Certifications

### Background

#### *Education/Professional*

- Bachelor of Arts, Michigan State University, Accounting
- Fellow of the Society of Actuaries
- Member of the American Academy of Actuaries
- Certified Life Underwriter
- Past Member of the Exam and Education Committee Society of Actuaries
- Member of the Tri-State Actuarial Club
- Qualified Actuary

#### *Other Experience*

- Chief Actuary and CFO for The Physicians' Assurance Company



## Brokerage Services for Insurance and Employee Benefits

- Consulting Actuary, Coopers & Lybrand
- Health Care Actuary, Nationwide Life Insurance Company

### Michael Zucarelli, PharmD

*National Director*

*CBIZ Managed Pharmacy Practice*

mzucarelli@cbiz.com/602.308.6658

Michael Zucarelli is a practicing pharmacist and leads CBIZ's National Pharmacy Practice, a specialty practice within CBIZ's Benefits and Insurance Group. He serves as the lead pharmacy consultant for clients, providing financial and clinical guidance to optimize a group's pharmacy program and overall benefit strategy that is cost-effective, compliant and sustainable. Michael's approach focuses on client satisfaction with the pharmacy benefit value and PBM relationship. He assists clients with financial models, pharmacy program analysis, and clinical evaluation. Upon completion of this analysis, he presents these results concisely and offers strategic recommendations.

### Expertise

- Pharmacy Benefit Plan Evaluation
- Pharmacy Benefit Strategy & Implementation
- Leveraging PBM and Carrier Relationships to advocate Vendor Accountability and Best Practices
- Proprietary Modeling Tools
- State and Federal Pharmacy Issues
- Pharmacy Benefit Operations, Clinical Programs, and Member Experience

### Background

#### *Education/Professional*

- Bachelor's Degree in Chemistry, University of Arizona
- Doctorate Degree in Pharmacy, University of Arizona
- Licensed Pharmacist in Arizona, Missouri, and North Carolina
- Member, Academy of Managed Care

#### *Recognition and Awards*

- Contributed to the development of a whitepaper on best practices for Medicaid pharmacy that was published and presented to the State of New York (<http://www.uhfnyc.org/publications/880758>)
- Created reporting models used by State Medicaid departments and health plans to benchmark plan performance





## Brokerage Services for Insurance and Employee Benefits

### **Karen McLeese**

*Vice President, Employee Benefit Regulatory Affairs*

*CBIZ Benefits & Insurance Services*

[kmcleese@cbiz.com](mailto:kmcleese@cbiz.com)/816.945.5213

Karen R. McLeese is Vice President of Employee Benefit Regulatory Affairs for CBIZ Benefits & Insurance Services, Inc., a division of CBIZ, Inc. She serves as in-house counsel, with particular emphasis on monitoring and interpreting state and federal employee benefits law.

#### Expertise

- Author of At Issue, a CBIZ client newsletter that provides information of general interest regarding employee benefits law and legislation
- Author of For Your Benefit, a CBIZ compliance/reference guide to welfare benefits
- Author of Benefit Beat, a monthly CBIZ e-newsletter containing regulatory updates
- Reviews and interprets federal and state laws and regulations impacting employee benefits
- Monitors federal and state legislation impacting employee benefits
- Provides information in response to technical questions regarding employee benefits
- Provides technical support in response to employee benefit issues
- Follows and analyzes trends in employee benefits
- Monitors case law impacting employee benefits

#### Background

##### *Education/Professional*

- Juris Doctor, Duke University
- Bachelor of Arts, University of Notre Dame
- Kansas City Metropolitan Bar Association
- Kansas Bar Association
- Missouri Bar Association
- Health Law Forum and Labor & Employment Law Sections of the American Bar Association
- Benefit Law Journal's Editorial Board





**ABC Company  
2017 Marketing Summary of Medical Administrative Services**

Blue Cross/Blue Shield of Florida (Florida Blue) has provided medical administrative services for ABC for ten years. 2016 ASO fixed costs (inclusive of HRA fees, H.S.A.s fees, Rx integration fees and broker fees) are estimated to be \$6,769,021.

Florida Blue provides \$140,000 per year to ABC in Wellness Funds. The net fixed costs for ABC are approximately \$6,841,709 for 2016.

The 2017 fixed costs in year 1 are approximately \$6,672,751 and Florida Blue will offer \$365,000 in Wellness Funds per year. Net fixed cost for 2017 would be \$6,307,751.

Florida Blue can offer My Health Essentials Engagement Suite, as an alternative to Health Fitness, for a cost of \$952,186 vs. \$1,212,053.

Bids were solicited from Aetna, Cigna and United Healthcare. All carriers are providing competitive offers with fixed cost savings

2016 Florida Blue ASO Fees	\$6,981,709
Wellness Fund Credit	<u>-\$140,000</u>
Current Net Fixed costs	<b>\$6,841,709</b>

**2017 – 2019 ASO Bids**

	Florida Blue	Aetna	Cigna	United Healthcare
Year 1 ASO Fees	\$6,672,751	\$6,098,813	\$5,522,397	\$4,920,571
Difference to current year	-308,958	-882,896	-\$1,459,312	-\$2,061,138
3 Year Total ASO	\$20,018,254	\$18,296,439	\$16,567,191	\$14,761,714
3 Year Fund/Credits	-\$1,095,000	-\$900,000	Opt 1: -\$900,000 *Opt 2: -\$1,500,000	-\$1,400,000
Net Fixed Costs over 3 years	\$18,923,254	\$17,396,439	Opt 1: \$15,667,191 *Opt 2: \$15,067,191	\$13,361,714

**\*Cigna:** In order for ABC to qualify for the \$1.5M Fund/Credits, they would need to purchase the enhanced Disease Management program and Cigna's Personal Health Team for an additional spend of \$892,674

**\*\*All fees are inclusive of transparency tools** vs Healthcare Bluebook's additional cost of \$347,151

Run Off Claims Processing Fees

Florida Blue:	Fees for Run-Out have been Waived
Aetna:	Fees for Run-Out have been Waived
Cigna:	No Charge for Run-out
United Healthcare	Fees include 6 months of Run-out; \$28,764 for an additional 6 months.





Average GEO Access

Aetna:	98.84%
Cigna:	98.92%
United Healthcare:	98.76%

Average Overall Network Discounts – Savings as % of Eligible Charges

Florida Blue:	58.7%
Aetna:	57.44%
Cigna:	54.87%
United Healthcare:	56.88%

Average Overall Disruption – Percent of Paid Claims Paid In-Network

BCBS:	97.04%
Aetna:	97.21%
Cigna:	95.24%
United Healthcare:	95.38%

All carriers have offered Performance Guarantees and other fees at risk.

Package Sales

**Aetna**

Dental & Medical package: Credit \$0.25 PEPM - credit of \$49,593 to medical  
 Life/Di & Medical Package: Credit \$0.25 PEPM - credit of \$49,593 to medical  
 All lines: Credit \$0.50 PEPM – credit of \$99,186 to medical

**Statements of Fact:**

United Healthcare offers the most favorable fixed cost proposal with a projected reduction in administrative fees of \$7,163,393 over three-years. United Healthcare allows an opportunity for additional annual fixed cost savings of approximately \$1,778,612 in outsourced (HealthFit / Health Advocate) and shared-savings fees. Finally, United Healthcare provided a packaged Dental proposal with projected annual savings of \$1,096,743.

FloridaBlue provides the most financially advantageous overall PPO network through their BCBS consortium network. The summarized results for FloridaBlue are provided:

- Projected 2017 Paid Medical Claims of \$136,307,185
- Percent of Claims Paid In-Network of 97.04%
- Savings as a Percent of Eligible Charges of 58.70%
- More favorable Geo-Access results than the other carriers with exceptions where United Healthcare has more favorable access.



# Three Year Strategy

Strategy	2017	2018	2019
<b>PLAN DESIGN AND BENEFITS</b>	<ul style="list-style-type: none"> <li>RFP for all benefits</li> <li>Goal to improve benefits, while keeping costs neutral</li> <li>Add wellness initiatives to control long-term costs</li> <li>Increase benefits in H.S.A. plan</li> <li>Offer Executive Benefits</li> <li>Worksite Products</li> <li>Build in enrollment credits from Worksite carriers</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate pricing with all vendors (fixed and variable costs)</li> <li>Evaluate High Performance Network with benefit differential</li> <li>Expand Executive benefits</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate pricing with all vendors (fixed and variable costs)</li> <li>Continue to evaluate High Performance Network with benefit differential</li> </ul>
<b>COMMUNICATION/ BENEFITS ENROLLMENT/ ENGAGEMENT</b>	<ul style="list-style-type: none"> <li>Update Benefit Booklet</li> <li>Incorporate Wellbeing in the Open Enrollment Communications</li> <li>Create a Brainshark video to tie into the ADP enrollment system to enhance education</li> <li>Encourage greater participation into health plan</li> <li>Monthly/Quarterly financial reporting reviews</li> </ul>	<ul style="list-style-type: none"> <li>Update Benefit Booklet</li> <li>Evaluate communication strategy based on prior years' experience</li> <li>Benefit Statements</li> <li>Continue monthly/quarterly financial reporting reviews</li> </ul>	<ul style="list-style-type: none"> <li>Update Benefit Booklet</li> <li>Evaluate communication strategy based on prior years' experience</li> <li>Continue monthly/quarterly financial reporting reviews</li> </ul>
<b>INCENTIVES</b>	<ul style="list-style-type: none"> <li>Premium Differential</li> <li>Evaluate Benefit Differential</li> <li>H.S.A. Contribution</li> </ul>	<ul style="list-style-type: none"> <li>Premium Differential</li> <li>Evaluate Benefit Differential</li> </ul>	<ul style="list-style-type: none"> <li>Premium Differential</li> <li>Evaluate Benefit Differential</li> <li>Healthcare Bluebook incentives</li> </ul>
<b>VALUE BASED BENEFITS</b>	<ul style="list-style-type: none"> <li>Determine benefits enhancements based on chronic conditions</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate based on analytics</li> <li>Review opportunities for On-site clinics</li> <li>Consideration of Bariatric Benefits</li> </ul>	<ul style="list-style-type: none"> <li>Evaluated based on analytics</li> <li>High Performance Networks</li> </ul>
<b>WELLNESS</b>	<ul style="list-style-type: none"> <li>Branding/Culture/Organization Commitment</li> <li>Define the Vision/Strategy</li> <li>Set expectations</li> <li>Build in Wellness Fund</li> </ul>	<ul style="list-style-type: none"> <li>Reward Participation</li> <li>Set attainable and measurable goals for improvement</li> <li>Expand engagement</li> <li>Capture, process, and impact</li> </ul>	<ul style="list-style-type: none"> <li>Reward Participation and Outcomes</li> <li>Report Outcomes</li> <li>ROI</li> </ul>
<b>COST CONTROL STRATEGIES</b>	<ul style="list-style-type: none"> <li>If staying with BlueCross, Medical Plan Audit</li> <li>Financial review of Pure Captive</li> <li>Formulary controls</li> <li>Continue to evaluate RX rebate pass-through</li> <li>Review performance guarantees w/selected vendors</li> </ul>	<ul style="list-style-type: none"> <li>Potential implementation of Pure Audit</li> <li>Price transparency tools such as HealthCare Bluebook</li> <li>Formulary controls</li> <li>Consider direct contracts with high utilizing providers</li> <li>Continue to evaluate RX rebate pass-through</li> <li>Review performance guarantees w/selected vendors</li> </ul>	<ul style="list-style-type: none"> <li>Communicate outcomes and progress</li> <li>Network Access Audits</li> <li>PBM pricing tools</li> <li>Formulary controls</li> <li>Continue to evaluate RX rebate pass-through</li> <li>Review performance guarantees w/selected vendors</li> <li>Specialty Pharma Carve-out from Medical</li> </ul>



RENEWAL/SERVICE TIMELINE COMMITMENT 2017		
MONTH	ACTIVITIES / DELIVERABLES	RESPONSIBLE
January '17	<ul style="list-style-type: none"> <li>- Annual Stewardship Report</li> <li>- Monthly Compliance /Claims Updates</li> <li>- 2017 Contract Reviews</li> </ul>	CBIZ/Client CBIZ/Client CBIZ
February '17	<ul style="list-style-type: none"> <li>- 5500 Filing Deadline</li> <li>- Receive Renewal from BlueCross</li> <li>- Develop RFP (Including PBM)</li> <li>- Monthly Compliance /Claims Updates</li> <li>- Plan Funding / Fiduciary Review</li> </ul>	Carrier/Client CBIZ CBIZ CBIZ/Client CBIZ/Client
March '17	<ul style="list-style-type: none"> <li>- Renewal Presentation/RFP Results</li> <li>- Monthly Compliance /Claims Updates</li> <li>- Determine Wellness Strategy for 2017</li> </ul>	CBIZ/Client CBIZ/Client CBIZ/Client
April '17	<ul style="list-style-type: none"> <li>- Monthly Compliance /Claims Updates</li> <li>- Renewal Option Follow-Ups/Claims Updates</li> <li>- Renewal Decisions (additional option evaluation)</li> <li>- Contribution Strategies and Calculations</li> </ul>	CBIZ/Client CBIZ/Client CBIZ/Client CBIZ/Client
May '17	<ul style="list-style-type: none"> <li>- Open Enrollment Communication Drafts</li> <li>- Monthly Compliance /Claims Updates</li> <li>- If Staying with BlueCross, Perform Medical/Network Plan Audit RFP</li> </ul>	CBIZ CBIZ/ Client CBIZ
June '17	<ul style="list-style-type: none"> <li>- Open Enrollment</li> <li>- Monthly Compliance /Claims Updates</li> <li>- Open Enrollment/Communication Strategy Implementation</li> </ul>	Client CBIZ/Client CBIZ/Client
July '17	<ul style="list-style-type: none"> <li>- Enrollment Feeds to Carriers/Administrators</li> <li>- Monthly Compliance /Claims Updates</li> <li>- Present Finalists for Plan/Network Audit Review</li> <li>- Present 3-year Strategy (Including Wellness)</li> </ul>	CBIZ/Client/Carriers CBIZ/Client CBIZ/Client CBIZ/Client
August '17	<ul style="list-style-type: none"> <li>- Renewal Effective Date</li> <li>- Begin Audit Process</li> <li>- Monthly Compliance /Claims Updates</li> </ul>	CBIZ/Client/Carriers CBIZ/Client CBIZ/Client
September '17	<ul style="list-style-type: none"> <li>- Post Open Enrollment Review</li> <li>- Gather Data for Pure Captive Review</li> <li>- Monthly Compliance /Claims Updates</li> </ul>	CBIZ/Client CBIZ CBIZ/Client
October '17	<ul style="list-style-type: none"> <li>- Monthly Compliance /Claims Updates</li> <li>- Review Updated 3-Year Strategy Based On Client Changes</li> </ul>	CBIZ/ Client CBIZ/Client
November '17	<ul style="list-style-type: none"> <li>- Monthly Compliance /Claims Updates</li> <li>- Present Pure Captive Findings</li> </ul>	CBIZ/ Client CBIZ/Client
December '17	<ul style="list-style-type: none"> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance /Claims Updates</li> <li>- 5500 Preparation</li> <li>- Follow-Up Items From Annual Stewardship Report</li> </ul>	CBIZ/Client CBIZ/Client CBIZ/Client/Carrier CBIZ/Client
As Needed/ Ongoing	<ul style="list-style-type: none"> <li>- Time Sensitive Communication "At Issue"</li> <li>- Client Service Support</li> <li>- Claim Resolution Support</li> <li>- Billing &amp; Eligibility Errors</li> <li>- Wellness Newsletters</li> </ul>	CBIZ





**Request For Proposals  
On behalf of  
ABC Company**

*ABC Company*

RFP Return Date: March 28, 2016  
Coverage Effective Date: January 1, 2017

Agent: Fredrick R. Schremp, CLU

CBIZ Employee Benefits & Insurance Services  
*One Overton Park  
3625 Cumberland Blvd SE, Suite 800  
Atlanta, GA 30339*

*Ph: 770-858-4510  
Fx: 770-424-5888*

*Information contained within this RFP is confidential and is intended solely for use by the individual or entity to whom this has been addressed.*



Our business is growing yours

[www.cbiz.com](http://www.cbiz.com)



**Request for Quotes  
ABC with XYZ Acquisition**

**Location:** 123 Main St. Jacksonville, FL 32204

**Nature of Business:** Banking and payments technology solutions and a global leader in consulting and outsourcing solutions

**Intro to RFP:**

Effective December 2015, ABC acquired 100% of the equity of XYZ. The combined company will have over \$9.2 Billion in annual revenues. ABC and XYZ have complementary technology solutions and services encompassing retail and corporate banking, payments, risk management, asset solutions and insurance.

**XYZ employees transitioned to In Force plans with ABC effective 1/1/2016.**

**VISION**

**ABC Plan**

Voluntary vision benefits are offered through EyeMed for over 10 years.

SUMMARY OF BENEFITS		
Vision Care Services	In-Network Member Cost	Out-of-Network Reimbursement
Exam With Dilation as Necessary	\$0 Co-pay	Up to \$20
Retinal Imaging	Up to \$39	N/A
Frames	\$0 Co-pay; \$130 allowance; 80% of charge over \$130	Up to \$50
<b>Standard Plastic Lenses</b>		
Single Vision	\$0 Co-pay	Up to \$20
Bifocal	\$0 Co-pay	Up to \$30
Trifocal	\$0 Co-pay	Up to \$40
Standard Progressive Lens	\$65	Up to \$30
Premium Progressive Lens	\$65, 80% of charge less \$120 allowance	Up to \$30
<b>Lens Options</b> (paid by the member and added to the base price of the lens)		
UV Treatment	\$15	N/A
Tint (Solid and Gradient)	\$15	N/A
Standard Plastic Scratch Coating	\$0	Up to \$8
Standard Polycarbonate	\$40	N/A
Standard Polycarbonate - Kids under 19	\$0	Up to \$20
Standard Anti-Reflective Coating	\$45	N/A
Polarized	20% off retail price	N/A
Other Add-Ons and Services	20% off retail price	N/A
<b>Contact Lens Fit and Follow-Up</b> (Contact lens fit and two follow up visits are available once a comprehensive eye exam has been completed)		
Standard Contact Lens Fit & Follow-Up	\$0 Co-pay Paid-in-Full and two follow up visits	Up to \$40
Premium Contact Lens Fit & Follow-Up	\$0 Co-pay, 10% off retail price, then apply \$40 allowance	Up to \$40
<b>Contact Lenses</b>		
Conventional	\$0 Co-pay; \$100 allowance; 85% of charge over \$100	Up to \$50
Disposable	\$0 Co-pay; \$100 allowance; plus balance over \$100	Up to \$50
Medically Necessary	\$0 Co-pay, Paid-in-Full	Up to \$200
<b>Laser Vision Correction</b>		
Lasik or PRK from U.S. Laser Network	15% off the retail price or 5% off the promotional price	N/A
<b>Frequency</b>		
Examination	Once every 12 months	
Lenses or Contact Lenses	Once every 12 months	
Frame	Once every 12 months	

2016 ABC Rates, guaranteed for 4 years. Prior 4 year rates were the same.

Single	\$8.63
EE/SP	\$16.37
EE/CH	\$17.24
Family	\$23.11

## Request for Quotes ABC with XYZ Acquisition

### XYZ Plan

A dual option voluntary vision plan was offered through United Healthcare since 1/1/2014

Copays for in-network services		
Exam	\$15.00	\$15.00
Materials	\$25.00	\$25.00

Benefit frequency		
Comprehensive Exam	Once every 12 months	Once every 12 months
Spectacle Lenses	Once every 12 months	Once every 12 months
Frames	Once every 24 months	Once every 12 months
Contact Lenses in Lieu of Eyeglasses	Once every 12 months	Once every 12 months

Frame benefit		
Private Practice Provider	\$130.00	\$130.00
Retail Chain Provider	\$130.00	\$130.00

Lens options		
<b>Standard plan</b> – Polycarbonate lenses covered in full for dependents up to age 19. <b>Buy-Up plan</b> – Additional lens options covered in full include Standard, Premium, Platinum anti-reflective coating. Polycarbonate lenses covered for all ages. <b>Standard and Buy-Up plan</b> – Standard scratch-resistant coating lenses covered in full. Other option upgrades may be offered at a discount (discount varies by provider).		

Contact lens benefit	Standard	Buy-Up
<b>Covered-in-full elective contact lenses<sup>4</sup></b> The fitting/evaluation fees, contact lenses, and up to two follow-up visits are covered in full (after copay).	If you choose disposable contacts, up to 6 boxes are included when obtained from a network provider.	If you choose disposable contacts, up to 8 boxes are included when obtained from a network provider.
<b>All other elective contact lenses</b>	A \$150.00 allowance is applied toward the fitting/evaluation fees and purchase of contact lenses outside the covered selection (materials copay does not apply).	A \$200.00 allowance is applied toward the fitting/evaluation fees and purchase of contact lenses outside the covered selection (materials copay does not apply).
<b>Necessary contact lenses<sup>3</sup></b> Covered in full after applicable copay.	Up to 6 boxes of covered in full contacts or \$150	Up to 8 boxes of covered in full contacts or \$200

Out-of-network reimbursements (Copays do not apply)	Standard	Buy-Up
Exam	\$60.00	\$60.00
Frames	\$60.00	\$60.00
Single Vision Lenses	\$60.00	\$60.00
Bifocal Lenses	\$70.00	\$70.00
Trifocal Lenses	\$80.00	\$80.00
Lenticular Lenses	\$90.00	\$90.00
Elective Contacts in Lieu of Eyeglasses <sup>2</sup>	\$150.00	\$200.00
Necessary Contacts in Lieu of Eyeglasses <sup>3</sup>	\$210.00	\$210.00

Laser vision benefit		
UnitedHealthcare Vision has partnered with the Laser Vision Network of America (LVNA) to provide our members with access to discounted laser vision correction providers. Members receive 15% off usual and customary pricing, 5% off promotional pricing at over 500 network provider locations and even greater discounts through set pricing at LasikPlus locations. For more information, call 1-888-563-4497 or visit us at <a href="http://www.uhclasic.com">www.uhclasic.com</a> .		

Your \$150.00 contact lens allowance is applied to the fitting/evaluation fees as well as the purchase of contact lenses. For example, if the fitting/evaluation fee is \$30, you will have \$120.00 toward the purchase of contact lenses. The allowance may be separated at some retail chain locations between the examining physician and the optical store. Buy-Up Plan has \$200.00 contact lens allowance – same example applies.

Rates	Standard	Buy-Up
Employee	\$4.00 Monthly	\$6.06 Monthly
Employee + One	\$7.34 Monthly	\$11.12 Monthly
Family	\$12.74 Monthly	\$19.30 Monthly

Rates were to be in effect for 3 years, 1/1/2014 – 12/31/2016



## Request for Quotes ABC with XYZ Acquisition

### Requested Vision Quotes

Please quote a Voluntary, dual option with 4 tier rates  
Standard/Low option – Mirror XYZ’s low option  
BuyUp/High Option – Mirror ABC’s plan  
GEO Access Summary: 2 providers within 15 miles

### **DENTAL**

#### **ABC Plan**

Effective 1/1/2014, ABC offered a fully insured, dual option voluntary dental program through MetLife and an Executive dental plan. Prior to January 2014, ABC self-funded their plans through Delta Dental.

Employees are eligible for coverage the first of the month following date of hire. The company contributes approximately 60% of premiums for employees and eligible dependents.

#### Plan offered to All Non-Executive ABC employees

#### **High Option only in LA, MS, MT and TX**

<b>High Plan</b>			<b>Low Plan</b>		
<b>Coverage Type</b>	<b>PDP In-Network:</b>	<b>Out-of-Network:</b>	<b>Coverage Type</b>	<b>PDP In-Network:</b>	<b>Out-of-Network:</b>
Type A – cleanings, oral examinations	100% of PDP Fee*	80% of R&C Fee**	Type A – cleanings, oral examinations	100% of PDP Fee*	100% of R&C Fee**
Type B – fillings	90% of PDP Fee*	80% of R&C Fee**	Type B – fillings	40% of PDP Fee*	40% of R&C Fee**
Type C –bridges and dentures	60% of PDP Fee*	50% of R&C Fee**	Type C –bridges and dentures	20% of PDP Fee*	20% of R&C Fee**
Type D – orthodontia	50% of PDP Fee*	50% of R&C Fee**	Type D – orthodontia	50% of PDP Fee*	50% of R&C Fee**
<b>Deductible†</b>	<b>In-Network</b>	<b>Out-of-Network</b>	<b>Deductible†</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Individual	\$50.00	\$100.00	Individual	\$50.00	\$50.00
Family	\$150.00	\$300.00	Family	\$150.00	\$150.00
<b>Annual Maximum Benefit</b>	<b>In-Network</b>	<b>Out-of-Network</b>	<b>Annual Maximum Benefit</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Per Person	\$2,000	\$1,000	Per Person	\$750	\$750
<b>Orthodontia Lifetime Maximum</b>	<b>In-Network</b>	<b>Out-of-Network</b>	<b>Orthodontia Lifetime Maximum</b>	<b>In-Network</b>	<b>Out-of-Network</b>
Per Person	\$1,500	\$1,500	Per Person	\$750	\$750
* PDP Fee refers to the fees that participating PDP dentists have agreed to accept as payment in full, subject to any copayments, deductibles, cost sharing and benefits maximums. ** R&C fee refers to the Reasonable and Customary (R&C) charge, which is based on the lowest of (1) the dentist’s actual charge, (2) the dentist’s usual charge for the same or similar services, or (3) the charge of most dentists in the same geographic area for the same or similar services as determined by MetLife. †Applies to type B and C Services			* PDP Fee refers to the fees that participating PDP dentists have agreed to accept as payment in full, subject to any copayments, deductibles, cost sharing and benefits maximums. ** R&C fee refers to the Reasonable and Customary (R&C) charge, which is based on the lowest of (1) the dentist’s actual charge, (2) the dentist’s usual charge for the same or similar services, or (3) the charge of most dentists in the same geographic area for the same or similar services as determined by MetLife. †Applies to type B and C Services		

## Request for Quotes ABC with XYZ Acquisition

High Plan		Low Plan	
Type A – Preventive	How Many/How Often	Type A – Preventive	How Many/How Often
Prophylaxis (cleanings)	<ul style="list-style-type: none"> <li>Two per calendar year.</li> </ul>	Prophylaxis (cleanings)	<ul style="list-style-type: none"> <li>Two per calendar year.</li> </ul>
Oral Examinations	<ul style="list-style-type: none"> <li>Two exams per calendar year.</li> </ul>	Oral Examinations	<ul style="list-style-type: none"> <li>Two exams per calendar year.</li> </ul>
Topical Fluoride Applications	<ul style="list-style-type: none"> <li>One fluoride treatment per year for dependent children up to 15<sup>th</sup> birthday.</li> </ul>	Topical Fluoride Applications	<ul style="list-style-type: none"> <li>One fluoride treatment per year for dependent children up to 15<sup>th</sup> birthday.</li> </ul>
X-rays	<ul style="list-style-type: none"> <li>Full mouth X-rays: once every three years</li> <li>Bitewing X-rays: one set per year.</li> </ul>	X-rays	<ul style="list-style-type: none"> <li>Full mouth X-rays: once every three years.</li> <li>Bitewing X-rays: one set per year.</li> </ul>
Space Maintainers	<ul style="list-style-type: none"> <li>Space Maintainers for dependent children up to 14th birthday, once per lifetime per tooth area.</li> </ul>	Space Maintainers	<ul style="list-style-type: none"> <li>Space Maintainers for dependent children up to 14th birthday, once per lifetime per tooth area.</li> </ul>
Sealants	<ul style="list-style-type: none"> <li>One application of sealant material every 3 years for each non-restored, non-decayed 1st and 2<sup>nd</sup> molar of a dependent child under age 19.</li> </ul>	Sealants	<ul style="list-style-type: none"> <li>One application of sealant material every 3 years for each non-restored, non-decayed 1st and 2<sup>nd</sup> molar of a dependent child under age 19.</li> </ul>
Type B – Basic Restorative	How Many/How Often	Type B – Basic Restorative	How Many/How Often
Fillings	<ul style="list-style-type: none"> <li>Once in 24 months.</li> </ul>	Fillings	<ul style="list-style-type: none"> <li>Once in 24 months.</li> </ul>
Simple Extractions		Simple Extractions	
Endodontics		Endodontics	
Periodontics	<ul style="list-style-type: none"> <li>Periodontal scaling and root planing once per quadrant, every 24 months.</li> <li>Periodontal cleanings 4 times per calendar year</li> <li>Periodontal surgery once per 24 months per quadrant</li> </ul>	Periodontics	<ul style="list-style-type: none"> <li>Periodontal scaling and root planing once per quadrant, every 24 months.</li> <li>Periodontal cleanings 4 times per calendar year</li> <li>Periodontal surgery once per 24 months per quadrant</li> </ul>
Oral Surgery		Oral Surgery	
Type C – Major Restorative	How Many/How Often	Type C – Major Restorative	How Many/How Often
Crown, Denture, and Bridge Repair/Recementations	<ul style="list-style-type: none"> <li>once every eight years.</li> </ul>	Crown, Denture, and Bridge Repair/Recementations	<ul style="list-style-type: none"> <li>once every eight years.</li> </ul>
Implants	<ul style="list-style-type: none"> <li>Implant Prosthetics: one every eight years.</li> </ul>	Implants	<ul style="list-style-type: none"> <li>Implant Prosthetics: one every eight years.</li> </ul>
Bridges and Dentures	<ul style="list-style-type: none"> <li>Initial placement to replace one or more natural teeth, which are lost while covered by the Plan.</li> <li>Dentures and bridgework replacement: one every eight years.</li> </ul>	Bridges and Dentures	<ul style="list-style-type: none"> <li>Initial placement to replace one or more natural teeth, which are lost while covered by the Plan.</li> <li>Dentures and bridgework replacement: one every eight years.</li> </ul>
Crowns/Inlays/Onlays	<ul style="list-style-type: none"> <li>Replacement: once every eight years.</li> </ul>	Crowns/Inlays/Onlays	<ul style="list-style-type: none"> <li>Replacement: once every eight years.</li> </ul>
General Anesthesia	<ul style="list-style-type: none"> <li>When dentally necessary in connection with oral surgery, extractions or other covered dental services.</li> </ul>	General Anesthesia	<ul style="list-style-type: none"> <li>When dentally necessary in connection with oral surgery, extractions or other covered dental services.</li> </ul>
Type D – Orthodontia	How Many/How Often:	Type D – Orthodontia	How Many/How Often:
	<ul style="list-style-type: none"> <li>Your Children, up to age 26, are covered while Dental Insurance is in effect.</li> <li>All dental procedures performed in connection with orthodontic treatment are payable as Orthodontia.</li> <li>Payments are on a repetitive basis.</li> <li>20% of the Orthodontia Lifetime Maximum will be considered at initial placement of the appliance and paid based on the plan benefit's coinsurance level for Orthodontia as defined in the Plan Summary.</li> <li>Orthodontic benefits end at cancellation of coverage.</li> </ul>		<ul style="list-style-type: none"> <li>Your Children, up to age 26, are covered while Dental Insurance is in effect.</li> <li>All dental procedures performed in connection with orthodontic treatment are payable as Orthodontia.</li> <li>Payments are on a repetitive basis.</li> <li>20% of the Orthodontia Lifetime Maximum will be considered at initial placement of the appliance and paid based on the plan benefit's coinsurance level for Orthodontia as defined in the Plan Summary.</li> <li>Orthodontic benefits end at cancellation of coverage.</li> </ul>

## Request for Quotes ABC with XYZ Acquisition

### ABC Executive Dental Plan

#### **SCHEDULE OF BENEFITS**

This schedule shows the benefits that are available under the Group Policy. You and Your Dependents will only be insured for the benefits:

- for which You and Your Dependents become and remain eligible;
- which You elect, if subject to election; and
- which are in effect.

#### **BENEFIT**

#### **BENEFIT AMOUNT AND HIGHLIGHTS**

##### **Dental Insurance For You and Your Dependents**

Covered Percentage for:	In-Network based on the Maximum Allowed Charge	Out-of-Network based on the Reasonable and Customary Charge
Type A Services	100%	100%
Type B Services	100%	100%
Type C Services	100%	100%
Orthodontic Covered Services	100%	100%

Yes, it does pay 100% of everything.

### ABC Rates – Met Dental

<u>MetLife 2014 Premium Rates</u>	High Plan	Low Plan	Executive Plan
EE Only	\$32.26	\$17.45	\$109.11
Employee + Spouse	\$65.48	\$35.43	\$221.48
Employee + Child(ren)	\$63.54	\$34.37	\$214.95
Family	\$102.25	\$55.31	\$345.87

<u>MetLife 2015 Premium Rates</u>	High Plan	Low Plan	Executive Plan
EE Only	\$32.26	\$17.45	\$109.11
Employee + Spouse	\$65.48	\$35.43	\$221.48
Employee + Child(ren)	\$63.54	\$34.37	\$214.95
Family	\$102.25	\$55.31	\$345.87

#### MetLife 2016 Premium Rates\*\*

*Adjusted for increased enrollment  
w/XYZ EEs*

<u>MetLife 2016 Premium Rates**</u>	High Plan	Low Plan	Executive Plan
EE Only	\$36.17	\$20.32	\$112.38
Employee + Spouse	\$69.59	\$38.11	\$228.12
Employee + Child(ren)	\$71.03	\$40.67	\$221.40
Family	\$114.09	\$64.77	\$356.25

**\*\*Effective 1/1/2016, OON reimbursements changed from 90<sup>tho</sup>% to MAC**

For the combined group, 2017 rates are capped at a +4% increase.

**Request for Quotes  
ABC with XYZ Acquisition**

**XYZ Plan**

XYZ had ASO services through Delta Dental Jan 2011 through Dec 2015

**XYZ Plan Summary**

<b>Eligibility</b>	Primary enrollee, spouse (includes domestic partner) and eligible dependent children to the end of the month that dependent turns 26			
<b>Deductibles</b>	\$25 per person / \$75 per family each calendar year			
Deductibles waived for Diagnostic, Preventive (D & P) & Orthodontic?	Yes			
<b>Maximums</b>	Delta Dental PPO dentists: \$2,200 per person each calendar year Non-Delta Dental PPO dentists: \$2,000 per person each calendar year			
D & P counts toward maximum?	Yes			
<b>Waiting Period(s)</b>	Basic Benefits None	Major Benefits None	Prosthodontics None	Orthodontics None
<b>Benefits and Covered Services*</b>	<b>Delta Dental PPO dentists**</b>		<b>Non-Delta Dental PPO dentists**</b>	
<b>Diagnostic &amp; Preventive Services (D &amp; P)</b> Exams, cleanings, x-rays, space maintainers, fluoride and sealants	100 %		100 %	
<b>Basic Services</b> Fillings, posterior composite restorations, injectable antibiotics and simple tooth extractions	80 %		80 %	
<b>Endodontics (root canals)</b> Covered Under Basic Services	80 %		80 %	
<b>Periodontics (gum treatment)</b> Covered Under Basic Services	80 %		80 %	
<b>Oral Surgery</b> Covered Under Basic Services	80 %		80 %	
<b>Prosthodontics</b> Bridges, dentures and TMJ	80 %		80 %	
<b>Major Services</b> Crowns, inlays, implants, onlays and cast restorations	50 %		50 %	
<b>Occlusal Guards</b>	50 %		50 %	
<b>Occlusal Guards Maximums</b>	\$ 500 Yearly		\$ 500 Yearly	
<b>Orthodontic Benefits</b> Adults and dependent children	50 %		50 %	
<b>Orthodontic Maximums</b>	\$ 2,000 Lifetime		\$ 2,000 Lifetime	

\* Limitations or waiting periods may apply for some benefits; some services may be excluded from your plan. Reimbursement is based on Delta Dental maximum contract allowances and not necessarily each dentist's submitted fees.

\*\* Reimbursement is based on PPO contracted fees for PPO dentists, Premier contracted fees for Premier dentists and Premier contracted fees for non-Delta Dental dentists.

**Request for Quotes  
ABC with XYZ Acquisition**

**XYZ Rates & Contribution**

ASO fees for enrollment of 5,000+ lives was to be \$5.90 PEPM from 1/2015 – 12/2016. This was a No Change renewal from 1/2013-12/2014. This amount includes no commission.

**Dental Rates**

	2014 (Current)			2015 (Renewal)		
	Monthly Rate	EE Contribution	Net EB	Monthly Rate	EE Contribution	Net EB
<b>Delta Dental</b>						
Employee Only	\$46.00	\$3.00	\$37.00	\$46.00	\$13.00	\$33.00
Employee + 1	\$83.00	\$19.00	\$64.00	\$83.00	\$27.00	\$56.00
Family	\$126.00	\$28.00	\$98.00	\$126.00	\$39.00	\$87.00

**Requested Dental Quotes**

- Disruption analysis
- Re-pricing/Network discounts
- GEO Access summary: 2 General Dentists within 15 miles and 2 Specialists within 15 miles
- Quote same plan as in force with ABC through MetLife using out of network reimbursement at MAC
- Please quote fully insured and ASO
- For the High Option plan, provide your quote with the out of network Preventive Care benefit covered at 100% - all other coinsurance levels to remain the same
- Ortho: on both plans, include Adult & Child coverage. Increase low option ortho max to \$1,000 and high option ortho max to \$2,000

**LIFE & DISABILITY**

**ABC Plan**

Effective 1/1/2012, ABC became insured by The Standard. Employees are eligible for coverage the 1<sup>st</sup> of the month following 60 days.

**Basic Life/AD&D – Employer Paid**

Basic Life/AD&D benefit 1.5 x earnings, round to next \$1,000, up to \$1,000,000\* maximum. AD&D equal to same.

\*Prior to 1/1/2016, the Life benefit was not to exceed \$500,000 or \$1M combined w/Basic

**Dependent Basic Life – Employer Paid**

Spouse - \$5,000  
Children - \$2,000

**Request for Quotes  
ABC with XYZ Acquisition**

**Optional Term Life – Employee Paid**

There is no optional AD&D coverage through the Standard.

Employee Benefit options are 1 – 5 x covered annual earnings not to exceed \$1,000,000\* OR \$2,000,000 when combined with Basic Life. GI is equal to the lesser of \$500,000 or 3 x BAE.

\*Prior to 1/1/2016, the Life benefit was not to exceed \$500,000 or \$1M combined w/Basic

Dependent Optional Life:

Spouse: \$10,000 increments to \$50,000 NTE 100% of EE Optional Amount. \$20,000 G.I.

Children: \$5,000 or \$10,000 benefit, NTE 50% of EE Optional Amount.

**Optional AD&D**

Offered through Zurich

An employee may purchase an amount of **Principal Sum** from one (1) to ten (10) times the employee's **Base Annual Earnings\***, rounded to the next higher \$1,000, if not already a multiple of \$1,000, subject to a maximum of \$750,000.

*\* **Base Annual Earnings** means the employee's average annual earnings over the 24 months prior to the date of the accident, or over the period of employment if less than 24 months, excluding overtime, bonuses, commissions and special compensation.*

The **Principal Sum** for **Covered Dependents** will be a percentage of the **Insured's Principal Sum**, as follows:

**Spouse/Domestic Partner:** 50%

**Dependent Child(ren):** 15% not to exceed \$100,000

**Rates:**

Employee only - \$0.01/\$1,000

Employee + Dependents - \$0.018/\$1,000

***\*All current participants' effective coverage amounts need to be Grandfathered.***

*Note: ABC acquired Metavante and included them for coverage effective on January 1, 2010. Metavante included a group of disabled employees (**Group Policy Amendment No. 1 attachment titled: 648852\_BL\_A\_AM\_1 - GF Metavante list**) who were granted continuation of their Basic and Voluntary life amounts. There is no Waiver of Premium coverage on these employees and they represent a "No New Entrant" class. A listing of these employees w/ their basic and voluntary life amounts (which are considerably different than what is in-force for the rest of the ABC employees) is included in the uploaded attachments. This group of employees must retain their current benefit amounts.*

**Voluntary Short Term Disability – Employee paid**

- Option 1: 7 day sickness, 7 day accident – max benefit period is 25 week if employee is enrolled in the LTD Plan\*
- Option 2: 14 day sickness, 14 day accident – max benefit period is 24 weeks if employee is enrolled in the LTD plan.\*

Benefits in either case are 60% to \$1,500 per week.

**Request for Quotes  
ABC with XYZ Acquisition**

**Executive Long Term Disability (Plan 3) – Employer Paid**

A regular executive working 30+ hours per week.

66 2/3% of the first \$37,500 of pre-disability earnings reduced by deductible income (work earnings, workers' comp., etc.) to a max benefit of \$25,000

180 Day elimination period

Benefits payable to SSNRA (see contract for greater detail)

**Voluntary Long Term Disability – Employee Paid**

There are 2 plans from which the employee may choose to enroll.

- Option 1: 60% of the first \$25,000 of pre-disability earnings, reduced by deductible income, not to exceed \$15,000 max monthly benefit
- Option 2: 50% of the first \$30,000 of pre-disability earnings, reduced by deductible income, not to exceed \$15,000 max monthly benefit

For either option, 180 day elimination period.

Benefits payable to SSNRA.

2 Year own occ period.

90 Day Pre-X limit

**NO prudent person language.**

**ABC, Rates – The Standard:** *The rates reflected below were initially guaranteed for 3 years; at the end of the guarantee period, renewal rates were negotiated to be held flat for an additional 3 years – thru 12/31/2017 – this differs from the 2015 **renewal packet included in the submission** – it reflects original renewal request, but includes experience analysis.*

Basic Life	\$0.060 Per \$1000 of Benefit
Basic AD&D	\$0.012 Per \$1000 of Benefit
Additional Life and Additional Spouse Dependent Life	<u>Per \$1000 of Benefit</u>
	<u>Age</u>
	<25 \$0.049
	25-29 \$0.058
	30-34 \$0.078
	35-39 \$0.087
	40-44 \$0.097
	45-49 \$0.145
	50-54 \$0.223
	55-59 \$0.416
	60-64 \$0.639
	65-69 \$1.229
	70+ \$1.995
Spouse & Child Dependent Life	\$1.18 Per Member, Required

With the increase to the max benefit for Basic Life, effective 1/1/2016, the basic life rate increased to \$0.065. Rate Guarantee expires 12/31/2016

**Request for Quotes  
ABC with XYZ Acquisition**

Additional Child Dependent Life \$0.05 Per Thousand, Elective

LTD Percent of Insured Earnings

<u>Plan 1</u>	
<u>Age</u>	
<30	0.029
30-34	0.039
35-39	0.068
40-44	0.116
45-49	0.184
50-54	0.262
55-59	0.350
60-64	0.380
65+	0.370

LTD Plan 1 = 50% Benefit Plan  
LTD Plan 2 = 60% Benefit Plan  
LTD Plan 3 = Executive Plan

STD Option 1 = 7/7 Plan  
STD Option 2 = 14/14 Plan

<u>Plan 2</u>	
<u>Age</u>	
<30	0.039
30-34	0.049
35-39	0.087
40-44	0.155
45-49	0.252
50-54	0.400
55-59	0.490
60+	0.530

STD	<u>Per \$10.00 of Benefit</u>
Option 1: Members employed in CA, HI, NY, NJ, RI, and PR	\$0.119
Option 1: All Other Eligible Members	\$0.257
Option 2: Members employed in CA, HI, NY, NJ, RI, and PR	\$0.090
Option 2: All Other Eligible Members	\$0.190

Plan 3 \$0.53

NYDBL - \$2.40/member

JN - \$0.573

**XYZ Plan**

Life & Disability coverage was offered through Aetna since 2006 and until ABC acquisition.

**Basic Life/AD&D**

Employer paid

Employee: 2 x BAE rounded to next higher \$1,000 to a max benefit of \$1,000,000.

Spouse:

Child:

**Voluntary Life & AD&D**

1-5 x BAE rounded to the next higher \$1,000 to a maximum of \$1,000,000

EE GI: \$500,000

SP GI: \$100,000

Child GI: \$10,000

Includes conversion and portability



**Request for Quotes  
ABC with XYZ Acquisition**

**Long Term Disability – Employer Paid**

Elimination Period: 90 Days

Benefit: 60% up to \$10,000/month

Benefit Duration: SSNRA

Own Occ: 2 years.

After 24 months, being able to work at any reasonable job. A "reasonable job" is any job for pay or profit which you are, or may reasonably become, qualified for by education, training, or experience.

**Executive LTD – Employer Paid**

Eligibility – Full Time Executive employee

Elimination Period: 90 Days

Benefit: 60% up to **\$15,000**/month

Benefit Duration: SSNRA

Own Occ: 2 years.

After 24 months, being able to work at any reasonable job. A "reasonable job" is any job for pay or profit which you are, or may reasonably become, qualified for by education, training, or experience.

**Short Term Disability – Employer Paid**

Elimination period: 5 days disease/5 days injury – benefits start on the 6<sup>th</sup> day

**Benefit:** 100% of your Predisability Earnings for the first 56 days.

**Benefit:** 75% of your Predisability Earnings for the remaining 34 days.

Maximum Benefit Period 90 days

**Request for Quotes  
ABC with XYZ Acquisition**

**XYZ Rates under Aetna**

**Basic Life/AD&D Rates**

	<b>2014 (Current) Monthly Rate</b>	<b>2015 (Renewal) Monthly Rate</b>
<b>Aetna</b>		
Basic Life	\$0.107/\$1,000 of coverage	\$0.107/\$1,000 of coverage
AD&D	\$0.012/\$1,000 of coverage	\$0.012/\$1,000 of coverage

**Supplemental Life Rate**

	<b>2014 (Current)</b>		<b>2015 (Renewal)</b>	
	<b>Non-Tobacco</b>	<b>Tobacco</b>	<b>Non-Tobacco</b>	<b>Tobacco</b>
<b>Aetna</b>				
Supplemental Life	Per \$1,000 of coverage	Per \$1,000 of coverage	Per \$1,000 of coverage	Per \$1,000 of coverage
Under 25	\$0.040	\$0.058	\$0.040	\$0.058
Age 25-29	\$0.050	\$0.073	\$0.050	\$0.073
Age 30-34	\$0.070	\$0.102	\$0.070	\$0.102
Age 35-39	\$0.080	\$0.116	\$0.080	\$0.116
Age 40-44	\$0.100	\$0.145	\$0.100	\$0.145
Age 45-49	\$0.150	\$0.218	\$0.150	\$0.218
Age 50-54	\$0.230	\$0.334	\$0.230	\$0.334
Age 55-59	\$0.430	\$0.624	\$0.430	\$0.624
Age 60-64	\$0.660	\$0.957	\$0.660	\$0.957
Age 65-69	\$1.270	\$1.842	\$1.270	\$1.842
Age 70+	\$2.060	\$2.987	\$2.060	\$2.987

**Dependent Life Rate**

	<b>2014 (Current) Monthly Rate</b>	<b>2015 (Renewal) Monthly Rate</b>
<b>Aetna</b>		
Spouse Life	\$0.104/\$1,000	\$0.104/\$1,000
Child Life		
\$5,000 Benefit Option	\$0.74/month	\$0.74/month
\$10,000 Benefit Option	\$1.48/month	\$1.48/month

**Disability Rates**

	<b>2014 (Current) Monthly Rate</b>	<b>2015 (Renewal) Monthly Rate</b>
<b>Aetna</b>		
ASO STD	\$1.96 PEPM	\$2.01 PEPM
NY DBL State Cash Rate	\$4.96 PEPM	\$2.98 PEPM
NJ TDB State Cash Rate	\$16.52 PEPM	\$19.83 PEPM
HI State Cash Rate	\$4.61 PEPM	\$4.61 PEPM
Basic LTD	\$0.263/\$100	\$0.263/\$100
Executive LTD	\$0.298/\$100	\$0.298/\$100

**Request for Quotes  
ABC with XYZ Acquisition**

**Requested Life/Disability Quotes**

STD: Quote same as current benefits & waiting periods  
Quote current waiting periods with \$2,000 Weekly benefit  
Quote current waiting periods with \$2,500 Weekly benefit  
Provide above 6 scenarios as voluntary fully insured as well as ASO, advice to pay

LTD: Quote same as current benefits, fully voluntary  
Quote same as current benefits with mandatory enrollment, but no employer contribution.  
(XYZ's plan through Aetna was designed in this manner)

We will be reviewing FMLA. The client wants the Life/Disability vendor to be integrated with the FMLA. If you're quoting Life and Disability and have do FMLA, please provide a quote for FML Administration.

If you have any questions regarding this request, please contact Kelly Abbott at [Kabbott@cbiz.com](mailto:Kabbott@cbiz.com) or 770-858-4510.



DATE

# Annual Performance Review | 2017

Client





# Agenda

- I. CBIZ Account Management Team
- II. Prior Plan Year Review
  - a) Summary of Current Programs & Renewal Dates
  - b) 2016 Renewal Review
- III. Financial Performance
  - a) Financial Overview
  - b) Claims Dashboard
- IV. Compliance and ACA Review
- V. Benchmarking and Trend Information
- VI. Strategic Plan
  - a) Innovations & Considerations
  - b) 3 Year Strategic Plan
  - c) Timeline
- VII. Exhibits
  - a) Current Plan Summaries
  - b) ACA Sample Employer Policy
  - c) Historic Renewal Action
  - d) Additional Reports



SECTION ONE

# 1

*CBIZ Account  
Management Team*



# CBIZ Account Management Team

## OVERALL RELATIONSHIP MANAGEMENT

### Producer #1

Consultant and Team Lead

Phone:

Email: @cbiz.com

- Proactive client satisfaction level
- Identify client objectives
- Responsible for strategy development
- Contractual and renewal negotiations
- Marshal resources and client relationship management

### Producer #2

Consultant and Team Lead

Phone:

Email: @cbiz.com

- Proactive client satisfaction level
- Responsible for strategy development
- Contractual and renewal negotiations
- Marshal resources and client relationship management

## ACCOUNT COORDINATION

### Name

Senior Account Executive

Phone

Email: @cbiz.com

- Responsible for overseeing the performance of the account management team
- Executing the strategy set by the employer and consulting team members,
- Reviewing financial and utilization data
- Assisting in renewal and contractual negotiations
- Regulatory compliance consulting and issue resolution
- Assisting in and monitoring day-to-day client service issues

### Name

Account Manager

Phone:

Email: @cbiz.com

- Oversee administration process
- Assist with communication strategy
- Regulatory compliance assistance
- Development of open enrollment material/employee communications
- Follow up with carrier on administrative issues
- Develop bid specifications and market comparisons
- Assist in resolving billing and claim issues

### Name

Account Manager

Phone:

Email: @cbiz.com

- Oversee administration process
- Assist with communication strategy
- Regulatory compliance assistance
- Development of open enrollment material/employee communications
- Follow up with carrier on administrative issues
- Develop bid specifications and market comparisons
- Assist in resolving billing and claim issues

### Name

Client Service Representative

Phone:

Email: @cbiz.com

- Assist in development of employee communications and presentations
- Employee claims assistance
- Generate benchmarking and claims reports
- Carrier and Vendor RFP analysis and proof
- Backup of day-to-day service and general administrative issues

### Judy Wood

Sr. Client Claims Representative

Phone: 816.945.5212

Email: jwood@cbiz.com

- Responsible for providing claim resolution for escalated claim issues
- Medicare Secondary payor issues
- CMS audits in a HIPAA compliant format



# National Resources

## WELLBEING AND POPULATION HEALTH MANAGEMENT SOLUTIONS

Name  
*Wellbeing Consultant*  
Email: @cbiz.com

- Incentive design
- Gap analysis and culture assessment
- Vendor partnership
- Industry best practices
- Compliance with federal regulations governing corporate wellness programs

Erin Eason  
*National Onsite Clinic Consultant*  
Email: eason@cbiz.com

- Lead national practice dedicated to all components and steps of evaluating through implementing employer-sponsored health and wellbeing solutions for employers.
- Provide general clinical consulting services to employers and organizations with existing clinic services, identifying opportunities for improvement.

## EMPLOYEE BENEFITS REGULATORY AFFAIRS

Karen R. McLeese, Esq.  
*Vice President—Employee Benefits  
Regulatory Affairs*

- In-house counsel for employee benefits and insurance laws
- Writes and distributes *For Your Benefit Book*, *At Issue*, *Benefit Beat* and *Health Reform Bulletin*
- Reviews and interprets federal and state laws and regulations impacting employee benefits

## PHARMACY

Mike Zucarelli, Pharm D  
*National Pharmacy Director*

- Provides analysis and support for all Rx and PBM questions and projects
- Pharmacy plan evaluation, procurement, contract review, and implementation of pharmacy benefit management for self-insured plan sponsors
- Leverage PBM and carrier relationships to advocate vendor accountability and best practices on the client's behalf

## ACTUARIAL

Dave Rubadue  
*National Director of Healthcare  
Actuarial Services*

- Responsible for helping mitigate actuarial costs
- Specializes in Premium Rate and Reserve Adequacy Development, Reserve and Contingency Fund Assessments
- Leads the National Actuarial Practice

Dave Coleman  
*Financial Analyst*  
Phone: 816.945.5225  
Email: dcoleman@cbiz.com

- Setting funding reserves and projecting trend
- Migration Studies
- Data/claims analysis
- Forecasting and modeling of claims data
- COBRA Rate Setting







SECTION TWO

# 2

## *Prior Plan Year Review*



# Summary of Current Programs & Renewal Dates

Line of Coverage	Carrier	Renewal Date
<b>Group Medical</b> <ul style="list-style-type: none"><li>● HMO</li><li>● Base</li><li>● Buy UP</li></ul>	Blue Cross Blue Shield	April 2017
<b>Dental</b>	Blue Cross Blue Shield	April 2017
<b>STD/LTD</b>	KC Life	September 2017
<b>Life/ Voluntary Life</b>	Assurant	June 2017

## Summary of 2016 Renewals

Medical Renewal	
Wellbeing Results/ Onsite Clinic Highlights	
Dental Renewal	
Vision Renewal	
Life/AD&D	
STD/LTD	

## Key Accomplishments

1. Text
2. Text
3. Text



SECTION THREE

# 3

## *Financial Performance*





# Claims Dashboard

# Financial Dashboard

■ INSERT INTO PDF OR PPT

## ABC Company | Dental Plan Financial Overview

	July	August	September	October	November	December	January	February	March	April	May	June	YTD Average
<b>Enrollment</b>													
Employees	889	900	937	937	931	988	972	971	971	1,015	0	0	942
<b>Claims and Plan Expenses</b>													
Claims Paid	\$ 24,888	\$ 32,161	\$ 36,785	\$ 36,714	\$ 29,508	\$ 33,319	\$ 43,207	\$ 37,053	\$ 42,989	\$ 51,741	\$ -	\$ -	\$ 379,025
Administrative Fees	\$ 2,816	\$ 2,819	\$ 2,639	\$ 2,639	\$ 2,709	\$ 2,759	\$ 2,829	\$ 2,826	\$ 2,826	\$ 2,954	\$ -	\$ -	\$ 27,415
<b>Total Expenses (Fixed &amp; Claims)</b>	<b>\$ 27,704</b>	<b>\$ 34,980</b>	<b>\$ 39,424</b>	<b>\$ 39,353</b>	<b>\$ 32,217</b>	<b>\$ 36,078</b>	<b>\$ 46,036</b>	<b>\$ 39,879</b>	<b>\$ 45,815</b>	<b>\$ 54,695</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 406,440</b>
<b>Plan Funding</b>													
Employer Funding	\$ 34,389	\$ 34,400	\$ 34,478	\$ 34,581	\$ 35,471	\$ 36,032	\$ 36,734	\$ 36,472	\$ 36,551	\$ 37,859	\$ -	\$ -	\$ 356,948
Employee Funding	\$ 13,377	\$ 13,330	\$ 13,443	\$ 13,460	\$ 13,807	\$ 14,025	\$ 14,286	\$ 14,197	\$ 14,227	\$ 14,737	\$ -	\$ -	\$ 138,339
<b>Net Assumed Funding</b>	<b>\$ 47,766</b>	<b>\$ 47,730</b>	<b>\$ 47,921</b>	<b>\$ 48,041</b>	<b>\$ 49,278</b>	<b>\$ 50,057</b>	<b>\$ 51,020</b>	<b>\$ 50,669</b>	<b>\$ 50,778</b>	<b>\$ 52,596</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 495,287</b>
Funding Surplus/Deficit	\$ 20,572	\$ 8,009	\$ 8,436	\$ 8,688	\$ 17,061	\$ 7,393	\$ 4,997	\$ 10,790	\$ 4,964	\$ (2,039)	\$ -	\$ -	\$ 88,447
<b>Plan Funding vs. Expenses Ratio</b>	<b>96.91%</b>	<b>83.24%</b>	<b>82.32%</b>	<b>81.32%</b>	<b>85.39%</b>	<b>86.06%</b>	<b>90.21%</b>	<b>78.70%</b>	<b>90.26%</b>	<b>103.38%</b>			<b>81.39%</b>
<b>Expected Claims Liability Only</b>	<b>\$ 40,02312</b>	<b>\$ 40,06910</b>	<b>\$ 40,137.39</b>	<b>\$ 40,263.92</b>	<b>\$ 41,288.18</b>	<b>\$ 41,344.24</b>	<b>\$ 42,744.41</b>	<b>\$ 42,422.54</b>	<b>\$ 42,520.69</b>	<b>\$ 44,015.65</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 415,423</b>
<b>YTD Expected Status</b>													<b>91.26%</b>

JE Newcomer funds to an amount greater than expected claim factor plus administrative costs.  
 \* Dental census participation comes from Cigna



SECTION FOUR

# 4

*Compliance and  
ACA Review*



## Employer Shared Responsibility Mandate Overview:

- Applicable to employers employing 50 or more full-time plus full-time equivalent employees
- Risk of excise tax if adequate and affordable coverage not offered to individuals working 30-plus hours per week
- Determining ALE status: Average number of employees and their hours of service in preceding year determines ALE status for the current year
- Employee defined as "common-law employee"
  - Does not include leased employees, sole proprietor, partner in partnership, 2-percent S-Corp shareholders, or real estate agents and direct sellers ("IRC Section 3508 employees")
  - Full-time employee (FTE): One who works average of 30 hrs/week (130 hrs/calendar month = 30 hrs/week)

Affordability Standard for purposes of employer's risk of excise tax- percentage amount tied to inflation:

- 9.56 percent in 2015
- 9.66 percent in 2016
- 9.69 percent in 2017

Note: Affordability is based on the lowest cost employee contribution for single coverage. There are a number of tests for affordability, including ensuring a minimum annual pay or ensuring a minimum hourly rate of pay. Each minimum is calculated based on that lowest cost single contribution. There's also a special affordability safe harbor when the ratio of the minimum affordability annual pay to the single FPL is 100% or less. Based on 2018 updates, the threshold to meet the FPL safe harbor is \$95.63 per month.

## Employer Shared Responsibility Penalties:

### Potential Tax Excise Tax Penalties

'No Coverage' Excise Tax IRC § 4980H(a)		'Inadequate or Unaffordable' Excise Tax IRC § 4980H(b)	
2015	\$2,080	2015	\$3,120
2016	\$2,180	2016	\$3,240
2017	\$2,280	2017	\$3,390
2018 (proposed)	\$2,320	2018 (proposed)	\$3,480

### Steps in Assessment and Collection of IRS Penalties

1. Following tax returns filed by both individuals and employer, IRS will calculate potential ESR payment and contact employer of potential liability
2. Once IRS contacts employer, the employer will have opportunity to respond to IRS inquiry prior to assessment or "notice and demand" for payment
3. IRS would then determine liability and send notice and demand for payment to employer, if applicable

### Employer Appeals to Marketplace Determinations

- Employers may receive notification from marketplace indicating one (or more) employees applied for marketplace coverage and deemed eligible for premium tax credit due to employer failing to offer MEC that meets minimum value
  - *Marketplace determinations do not trigger ESR penalties*
- Employer has right to appeal marketplace determination by following Center for Medicare and Medicaid Services' process
  - *No standard format but appeal should be written and submitted within timeframe indicated in notice from marketplace*



- Only appeal marketplace determination if:
  - ✓ Full-time employee offered minimum valued affordable coverage; or
  - ✓ Individual covered by MEC
 Otherwise, do not appeal
- Marketplace appeal is based on current year

### Reporting and Filing Obligations:

#### Code Sections 6055 and 6056 Reporting Obligations

- **Section 6055:** Forms 1094-B and 1095-B filed by all entities (without regard to plan size) providing minimum essential coverage (MEC) during calendar year, including:
  - ✓ Insurers for insured plans
  - ✓ Plan sponsors of self-funded plans
- **Section 6056:** Forms 1094-C and Form 1095-C filed by employers employing 50-plus full-time equivalent employees (FTEE)

#### Deadlines for Filing and Distributing 2016 Forms 1094 and 1095

- Due date for filing 2016 Forms 1094 and 1095 with IRS
  - No later than Feb. 28, 2017 (March 31, 2017 if filing electronically)
- Due date for furnishing 2016 Form 1095 to Individuals:
  - Jan. 31, 2017 (Extended to March 2, 2017)
    - Electronic distribution OK as long as IRS rules followed, including individual's consent to receive Form 1095 electronically

#### Form W-2 Reporting Reminders

- Aggregate Cost of Health Coverage (Box 12, Code DD)
- Employer Contributions to Health Savings Accounts (Box 12 - Code W)

#### Increased Tax Information Reporting Penalties

- Beginning 2017, increase in potential IRS penalties assessed for failure to file information returns or provide payee statements (Forms W-2, 1099, 1094, 1095, etc.)
  - Failure to file correct information return: \$260 per return; total penalty cap of \$3,218,500 per calendar year
  - Failure to provide correct payee statement: \$260 per; total penalty cap of \$3,218,500 per calendar year
  - Special rules apply that increase the per-statement and total penalties if there is intentional disregard of requirement to file returns and furnish required statements

### ACA Section 1557: Nondiscrimination in Health Plans, Programs and Activities

**Note:** A preliminary injunction temporarily suspends the requirement for insurers, plans and providers to comply with gender identity component of the law.

ACA Section 1557 requires nondiscrimination in health coverage, programs and activities, i.e., individuals cannot be discriminated against or prohibited from participating in health-related programs or denied health coverage on basis of race, color, national origin, sex, age or disability.

Rules apply to "covered entities," defined as:

- ✓ Insurers and third-party administrators receiving federal funding
- ✓ Self-funded employers receiving federal funding (hospitals, nursing homes, etc.)

Other existing nondiscrimination-type rules still enforced include:

- Title VII of the Civil Rights Act of 1964 (enforced by EEOC)
- Executive Order 11246 prohibits discrimination in employment by covered contractors (enforced by DOL's Office of Federal Contract Compliance Programs (OFCCP))

## ACA Cost-Sharing Restrictions:

### Out-of-Pocket (OOP) Limits

(Deductibles, Co-insurance and Co-payments)

	<i>INDIVIDUAL/SELF-ONLY COVERAGE</i>	<i>FAMILY/COVERAGE FOR &gt; ONE</i>
ACA Plans*	\$6,850 (for 2016) \$7,150 (for 2017) \$7,350 (proposed for 2018)	\$13,700 (for 2016) \$14,300 (for 2017) \$14,700 (proposed for 2018)
High-Deductible Health Plan (HDHP) used with Health Savings Account (HSA)	\$6,550 (for both 2016 and 2017)	\$13,100 (for both 2016 and 2017)

### ACA Cost-Share Restriction Reminders

- Individual OOP Limit Applies to Family Maximum Limit
  - Beginning Jan. 1, 2016, an individual cannot be subject to more than the individual statutory OOP limit on essential health benefits, even if covered by family plan
  - Two separate cost-sharing limits for different benefits permissible Example: one for comprehensive medical plan; one for prescription drug plan. Combined cost share cannot exceed the overall limit
- HSA-Embedded Deductible
  - Embedded deductible can be no lower than family statutory limit

### ACA Fee Reminders:

- Transitional Reinsurance Reporting and Collection of Fees (2016 Final Year) Submit annual enrollment count and schedule one or two contribution payment dates by Nov. 15, 2016:
  - Full contribution (\$27 per covered life) due by Jan. 17, 2017
  - *OR*
  - Two-part contribution:
    - Part 1 payment (\$21.60 per covered life) due by Jan. 17, 2017
    - Part 2 payment (\$5.40 per covered life) due by Nov. 15, 2017
- Patient-Centered Outcomes Research Institute (PCORI) Fees
  - For policy and plan years ending between Oct. 1, 2016, and Oct. 1, 2017, PCORI fee will be \$2.26 multiplied by number of covered lives under policy or plan
  - PCORI fees paid annually via IRS Form 720 (generally due July 31)

### Suspended ACA Fees

- Cadillac tax suspended until 2020
- Health insurance provider fee suspended in 2017
- Excise tax on medical devices suspended for sales made Jan. 1, 2016, through Dec. 31, 2017

## 2017 Inflationary Adjustments - Welfare Benefit Plans

	<b>2017</b>		<b>2016</b>	
<b>FSA CAP</b>	\$2,600		\$2,550	
Limit on health flexible spending account (FSA) dollars via voluntary salary reductions				
<b>QUALIFIED TRANSPORTATION FRINGE BENEFITS</b>				
Commuter Highway Vehicle (van pooling) and Any Transit Pass	\$255		\$255	
Qualified Parking	\$255		\$255	
<b>QUALIFIED ADOPTION ASSISTANCE REIMBURSEMENT PROGRAM (IRC §137)</b>				
Exclusion Limit	\$13,570		\$13,460	
AGI Phase-out Limits	Between \$203,540 and \$243,540		Between \$201,920 and \$241,920	
<b>HEALTH SAVINGS ACCOUNTS</b>				
	<i>Individual</i>	<i>Family</i>	<i>Individual</i>	<i>Family</i>
HDHP Annual Deductible	\$1,300	\$2,600	\$1,300	\$2,600
HDHP Annual Out-of-Pocket Limit	\$6,550	\$13,100	\$6,550	\$13,100
Contribution Limit	\$3,400	\$6,750	\$3,350	\$6,750
<b>ACA PLANS - OUT-OF-POCKET LIMITS</b>				
<i>Applicable to insured plans offered via the marketplace, and insured and self-funded plans offered outside marketplace</i>	<i>Self-only</i>	<i>Family</i>	<i>Self-only</i>	<i>Family</i>
	\$7,150	\$14,300	\$6,850	\$13,700
<b>ARCHER MEDICAL SAVINGS ACCOUNTS</b>				
	<i>Individual</i>	<i>Family</i>	<i>Individual</i>	<i>Family</i>
HDHP Annual Deductible	Between \$2,250 and \$3,350	Between \$4,500 and \$6,750	Between \$2,250 and \$3,350	Between \$4,450 and \$6,700
Out-of-Pocket Expenses	\$4,500	\$8,250	\$4,450	\$8,150
<b>LONG-TERM CARE PREMIUMS</b>				
Under age 40	\$410		\$390	
>40 but <50	\$770		\$730	
>50 but <60	\$1,530		\$1,460	
>60 but <70	\$4,090		\$3,900	
Over age 70	\$5,110		\$4,870	

### 2017 Inflationary Adjustments - Medicare Parts A and B

Medicare Part A	2017	2016
Premium	<ul style="list-style-type: none"> <li>No monthly Part A premium for those with 40+ quarters of Medicare-covered employment</li> <li>\$413 per month for those who buy Part A</li> </ul>	<ul style="list-style-type: none"> <li>No monthly Part A premium for those with 40+ quarters of Medicare-covered employment</li> <li>\$411 per month for those who buy Part A</li> </ul>
Deductible	<ul style="list-style-type: none"> <li>\$1,316 for first 60 days of inpatient care</li> <li>Additional \$329 per day for days 61 through 90</li> <li>Additional \$658 per day beyond the 90th day</li> </ul>	<ul style="list-style-type: none"> <li>\$1,288 for first 60 days of inpatient care;</li> <li>Additional \$322 per day for days 61 through 90;</li> <li>Additional \$644 per day beyond the 90th day</li> </ul>
Medicare Part B		
Premium (may be higher depending on income)	\$134 per month	\$104.90 per month
Deductible	\$183 per year	\$166 per year

### 2017 Inflationary Adjustments - Pension and Retirement Plans

	2017	2016
Defined benefit plan annual limit	\$215,000	\$210,000
Defined contribution plan annual limit	\$54,000	\$53,000
Elective deferral limit for purposes of cash or deferred arrangements (401(k) plans) and tax-sheltered annuities (403(b) plans)	\$18,000	\$18,000
Maximum deferral limit for 457 plans	\$18,000	\$18,000
>Age 50 catch-up contribution limit to 401(k), 403(b) or 457(b) plans	\$6,000	\$6,000
Maximum deferral limit for SIMPLE plans	\$12,500	\$12,500
>Age 50 catch-up contribution limit to SIMPLE plans	\$3,000	\$3,000
Minimum compensation considered in determining eligibility for a SEP (simplified employee pension)	\$600	\$600
Threshold for highly compensated employee (HCE)	\$120,000	\$120,000
Key employee compensation limit for top heavy plan purposes	\$175,000	\$170,000
Annual compensation limit	\$270,000	\$265,000

## Welfare Benefit Plan Reporting Reminders

Form	To Whom	Due Date
Form 5500	Department of Labor – Employee Benefit Security Administration (EBSA) <a href="http://www.efast.dol.gov">http://www.efast.dol.gov</a>	Within 7 months of end of plan year
Form M-1 (Form M-1 filers must also file Form 5500)	EBSA <a href="http://www.askebsa.dol.gov/mewa/">http://www.askebsa.dol.gov/mewa/</a>	March 1 of each year
Form W-2 <i>Welfare benefit plan reporting includes:</i> <ul style="list-style-type: none"> <li>• Aggregate cost of health coverage (Box 12, using Code DD). Note, employers filing &lt;250 Form W-2s per year remain exempt from reporting the aggregate cost of health coverage on the Form W-2 until future IRS guidance is issued.</li> <li>• HSA employer contributions plus amounts employees elect to contribute via an IRC §125 cafeteria plan (Box 12 - Code W)</li> <li>• Disability income /sick pay benefits received by from third party payer</li> <li>• Amounts reimbursed via dependent care assistance program plus amounts exceeding maximum \$5,000 exclusion (include in Boxes 1, 3 and 5)</li> <li>• Cost of group term life insurance over \$50,000 (Table I rates) reported in Boxes 1, 3 and 5; and Box 12 - Code C</li> <li>• Additional Medicare tax withholding on earnings exceeding \$200,000 per calendar year (Box 6)</li> </ul>	Internal Revenue Service (IRS) <a href="http://www.irs.gov/">http://www.irs.gov/</a>  Form W-2 Instructions (2016)	January 31, 2017
Form 1094/1095 <i>File Forms 1094/1095</i>	IRS	February 28, 2017 (by March 31, 2017 if filing electronically)
<i>Furnish Form 1095</i>	Individuals listed in Forms 1094 and 1095	March 2, 2017
Form 720 for purposes of Patient Centered Outcome Research (PCOR) fee	IRS	July 31 <sup>st</sup> of each year
<i>ACA Transitional Reinsurance Program Annual Enrollment Contributions Submission Form</i> If making one payment of the fee, the 2016 form must be filed by November 15, 2016; full fee due by January 17, 2017. If opting to make two payments, Form must be filed by November 15, 2016; the first part of two payments due by January 17, 2017; the second payment due by November 15, 2017.	Centers for Medicare & Medicaid Services (CMS) via <a href="http://www.pay.gov">www.pay.gov</a>	November 15, 2016  <i>Note: 2016 is the last year of this filing obligation and payment of fee</i>
Medicare Part D Creditable Coverage Form ( <a href="https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/CCDisclosureForm.htm">https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/CCDisclosureForm.htm</a> )	Centers for Medicare & Medicaid Services (CMS)	Within 60 days of the commencement of the plan year



## Annual Welfare Benefit Plan Disclosure Reminders

Document	To Whom	Timeframe
SUMMARY ANNUAL REPORT (applicable to plans filing Form 5500)	Plan participants and certain beneficiaries	Annually - within 9 months after close of plan year
ANNUAL WOMEN'S HEALTH AND CANCER RIGHTS ACT (WHCRA) NOTICE	Plan participants and certain beneficiaries	Annually
MEDICAID/CHIP PREMIUM ASSISTANCE NOTICE (available in English & Spanish)	All employees living in states providing premium assistance	Annually
MEDICARE PART D - CREDITABLE COVERAGE DISCLOSURE NOTICE	All Medicare-eligible individuals including current and former employees and Medicare-eligible dependents covered by plan or become eligible to enroll in plan	Annually
SUMMARY OF BENEFITS AND COVERAGE (SBC) Note: Revised SBC template available from DOL and HHS for use beginning April 1, 2017	All plan participants	Annual disclosure if related health plan contract renews on annual basis

### Determining Applicable Covered Employer Status

Law	Employee Threshold
AFFORDABLE CARE ACT – EMPLOYER SHARED RESPONSIBILITY PENALTY	50 full-time employees or full-time equivalent employees. Review number of employees at end of each calendar year for purposes of determining whether the shared responsibility requirements apply in following year
AGE DISCRIMINATION IN EMPLOYMENT ACT (ADEA)	20 or more employees on 20 or more calendar weeks in the current or preceding calendar year
AMERICANS WITH DISABILITIES ACT (ADA)	15 or more employees on 20 or more calendar weeks in the current or preceding calendar year
CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)	20 or more common law employees on at least 50% of the business days in the preceding calendar year; includes full-time, part-time, and seasonal employees
FAMILY AND MEDICAL LEAVE ACT (FMLA)	Applies to public and private employers who employ 50 or more employees on each working day in 20 or more calendar weeks in current or preceding calendar year
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)	Applies to all public and private employers employing at least two participants who are current employees
MEDICARE SECONDARY PAYOR RULES (MSP RULES)	<ul style="list-style-type: none"> <li>Medicare due to age: 20 or more full or part-time employees on at least 20 calendar weeks in current or preceding calendar year</li> <li>Medicare due to disability: 100 full or part-time employees on at least 50% of regular business days in preceding calendar year</li> <li>Medicare due to end-stage renal disease: Applies without regard to employer size</li> </ul>
PREGNANCY DISCRIMINATION ACT (PDA)	15 or more employees on each working day in at least 20 or more calendar weeks in the current or preceding calendar year
UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)	Applies to all public and private employers, regardless of size



## Increased Penalties for Certain Compliance Violations

	<i>Prior Penalty Amount</i>	<i>New Penalty Amount</i>
FAILURE OR REFUSAL TO FILE THE ANNUAL FORM 5500	Up to \$1,100 per day	Up to \$2,063 per day
FAILURE TO FILE FORM M-1	Up to \$1,100 per day	Up to \$1,502 per day
FAILURE TO PROVIDE SUMMARY OF BENEFITS AND COVERAGE	Up to \$1,000 per failure	Up to \$1,087 per failure
FAILURE TO NOTIFY EMPLOYEES OF CHIP COVERAGE OPPORTUNITIES	Up to \$100 per day	Up to \$110 per day
FAILURE TO FILE A CORRECT INFORMATION RETURN <i>(Examples: Forms 1094/1095 and W-2)</i>	\$250 for each return (total penalty cap of \$3M per calendar year)	\$260 per return (total penalty cap of \$3,193,000 per calendar year)
FAILURE TO PROVIDE CORRECT PAYEE STATEMENT <i>(Examples: Forms 1094/1095 and W-2)</i>	\$250 for each return (total penalty cap of \$3M per calendar year)	\$260 per statement (total penalty cap of \$3,193,000 per calendar year)
FAILURE TO COMPLY WITH PROTECTIONS AFFORDED UNDER GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)	Up to \$100 per day of noncompliance	Up to \$110 per day of noncompliance
FAILURE TO POST THE FAMILY AND MEDICAL LEAVE ACT WORKPLACE POSTING	Up to \$110 per separate offense	Up to \$163 per separate offense
FAILURE TO POST EEOC WORKPLACE POSTING, "EQUAL EMPLOYMENT OPPORTUNITY IS THE LAW"	\$210 per violation	\$525 per violation



SECTION FIVE

# 5

## *Benchmarking and Trend Information*







BENCHMARKING

COST

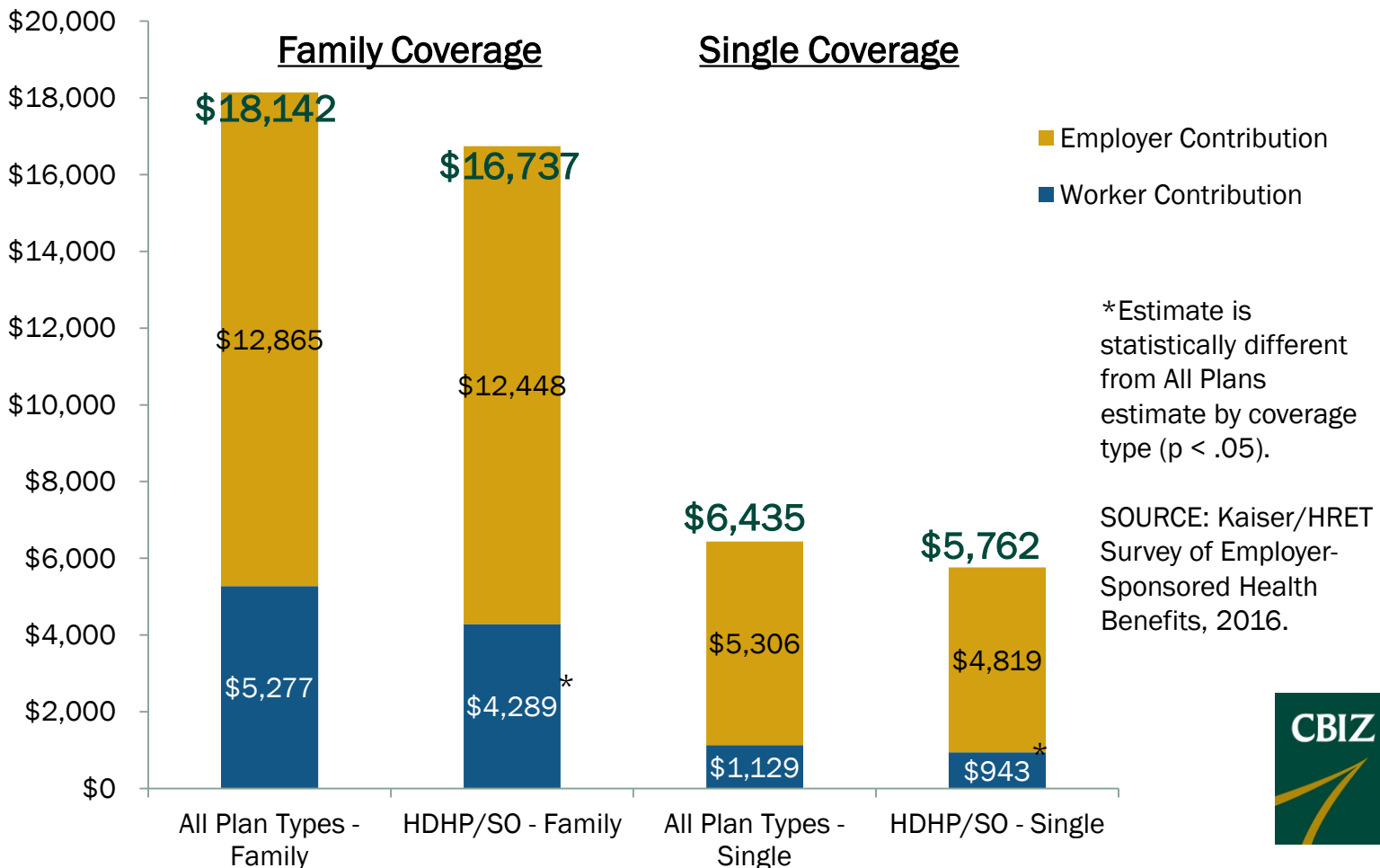
# Benchmarking | Cost

## Employee Contributions

Contribution as a % of Total	Single Coverage	Dependent Coverage
< 10%	8%	4%
10% - 14%	12%	8%
15% - 19%	13%	8%
20% - 24%	29%	26%
25% - 29%	18%	20%
30% - 39%	13%	18%
40% +	7%	16%
	100%	100%

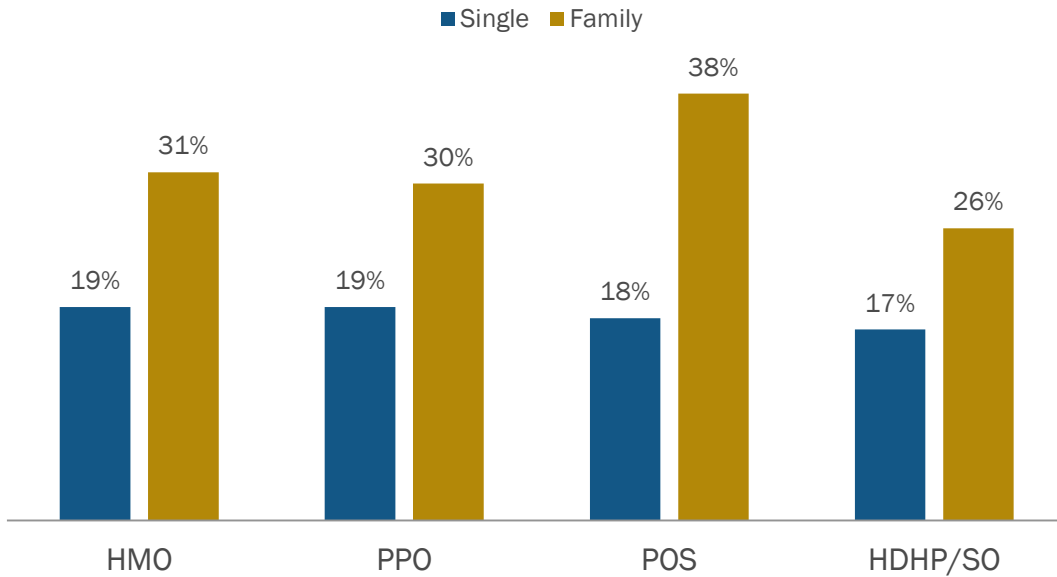
Source: Health and Well-Being  
Touchstone Survey Results  
PwC 2016

Average Annual Firm and Worker Premium Contributions and Total Premiums for Covered Workers for Single and Family Coverage, by Plan Type, 2016



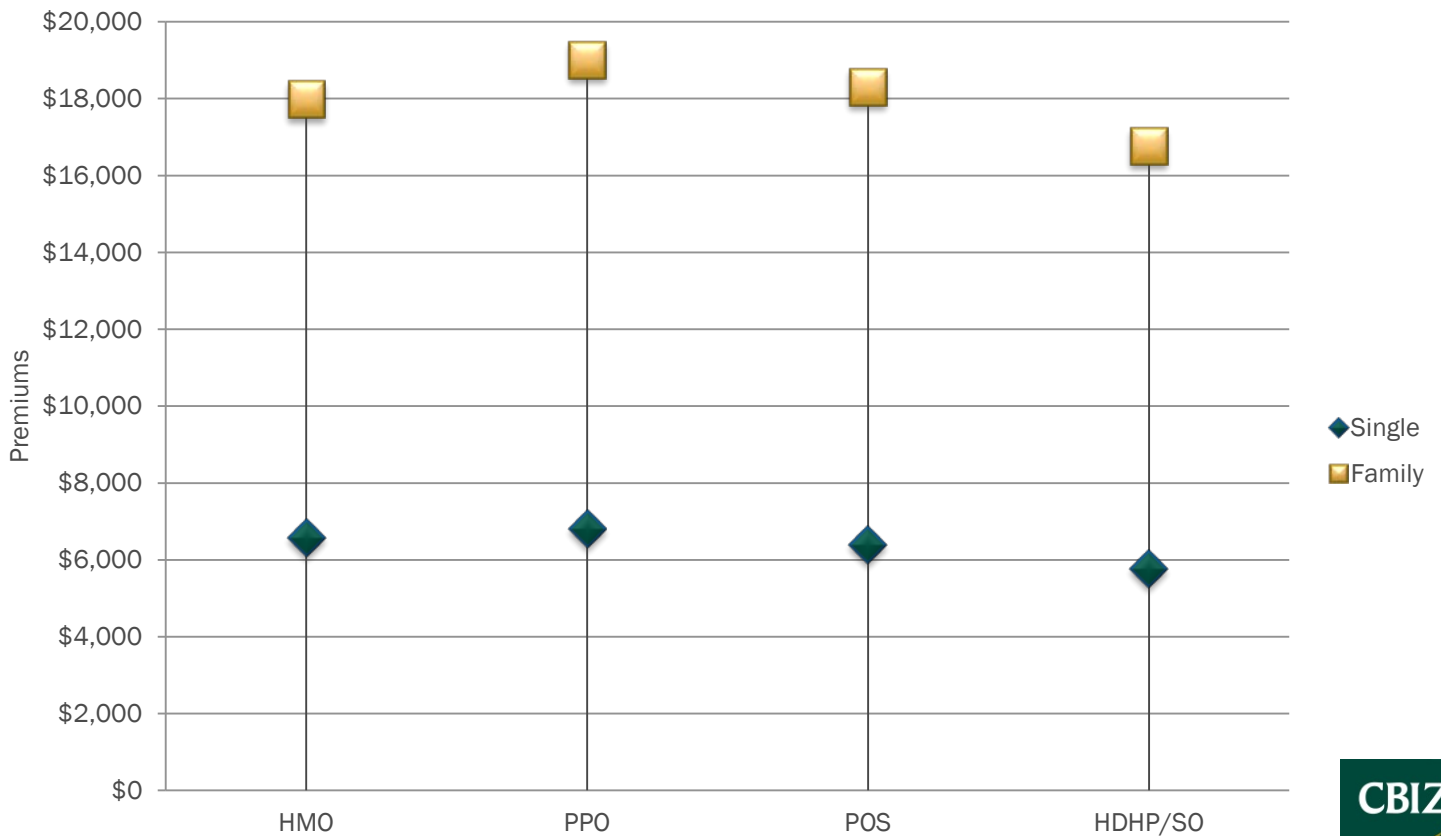
# Benchmarking | Cost

Average Employee Contribution as a Percent of Premium (National)



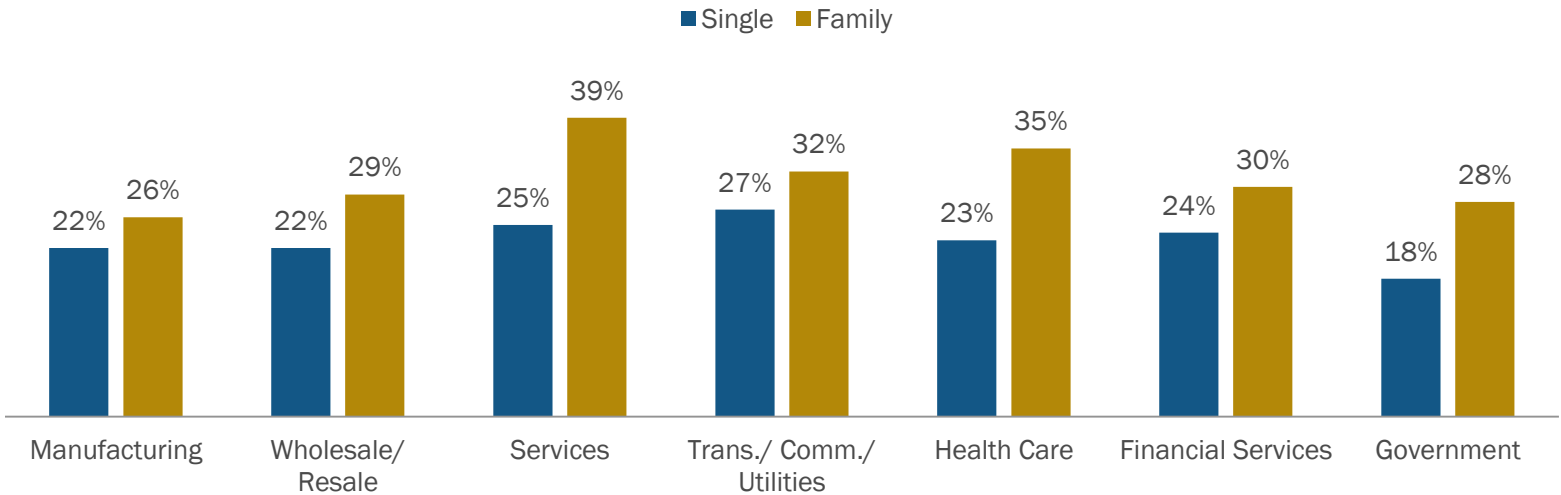
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2016

Average Annual Premiums for Covered Workers by Plan Type & Current Plan Premiums

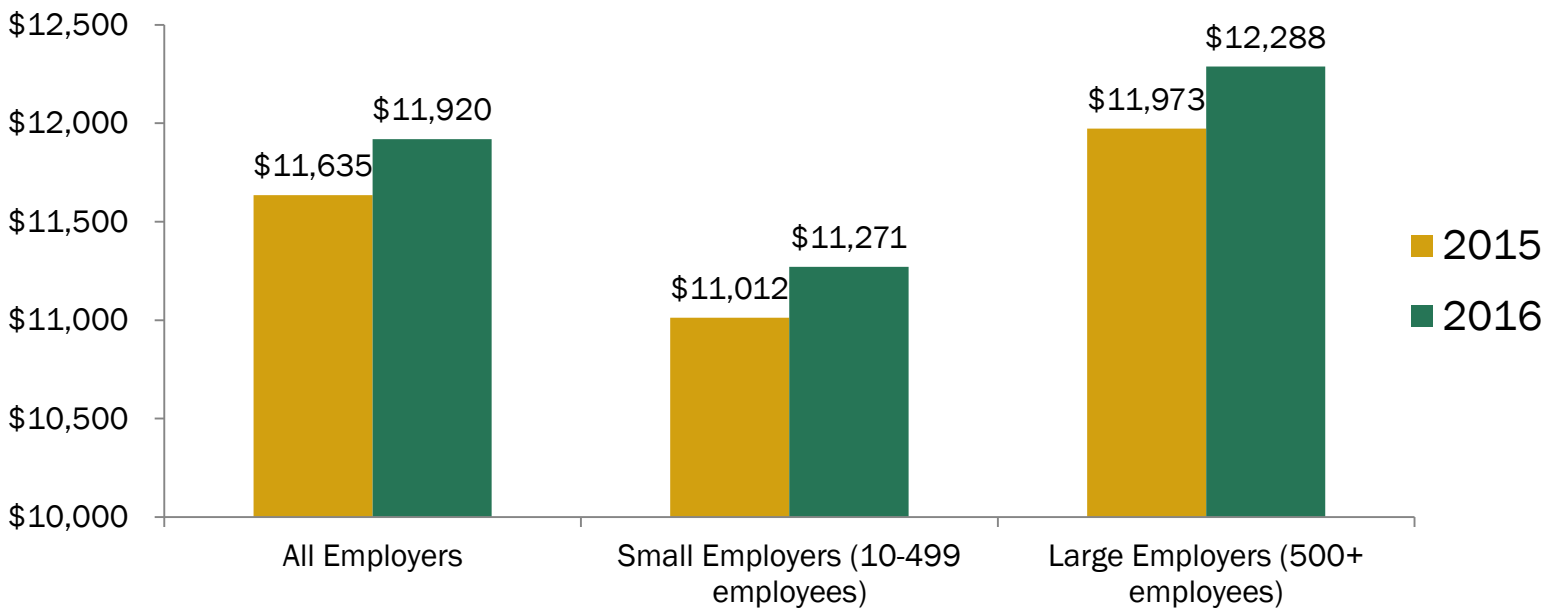


# Benchmarking | Cost

Average Employee Contribution as a Percent of Premium (PPO/POS)



Average Total Health Benefit Cost Per Employee



Source: Mercer National Survey of Employer-Sponsored Health Plans, 2015 (released in 2016)



# Benchmarking | Cost

## Average Employee Contributions – PPO v. CDHP Large Employers

	Average Monthly Dollar Amount	Average Contributions as a % of Premiums
<b>HSA – eligible CDHP</b>		
Employee – only	\$84	19%
Family	\$321	25%
<b>PPO</b>		
Employee – only	\$132	24%
Family	\$467	33%

Source: Mercer National Survey of Employer-Sponsored Health Plans, 2015 (released in 2016)



BENCHMARKING

PLAN DESIGN

# Benchmarking | Plan Design

## Single In-Network Deductible

\$0	10%
\$1 - \$499	18%
\$500 - \$999	23%
\$1000 - \$1999	29%
\$2,000 +	20%

## Single Out-of-Pocket Max (Includes Deductible)

< \$2,000	15%
\$2,000 - \$2,999	25%
\$3,000 - \$4,999	40%
\$5,000 +	20%
Unlimited	0%

## Primary Care Office Visit

<\$19 Copay	8%
\$20 - \$24 Copay	17%
\$25 - \$29 Copay	19%
\$30 - \$34 Copay	12%
\$35 +	7%
Coinsurance	37%

## Employee Coinsurance (for most services)

0%	17%
1% - 19%	28%
20% - 29%	49%
30% +	6%

## Specialist Office Visit

< \$30 Copay	11%
\$30 - \$39 Copay	15%
\$40 - \$49 Copay	18%
\$50 +	17%
Coinsurance	39%

## Average Retail Prescription Drug Copays (30 day Supply)

Preferred Generic	\$11
Non-Pref. Generic	\$16
Brand (Formulary)	\$35
Brand (Non-Form.)	\$48
Preferred Specialty	\$58
Non-Pref. Specialty	\$64

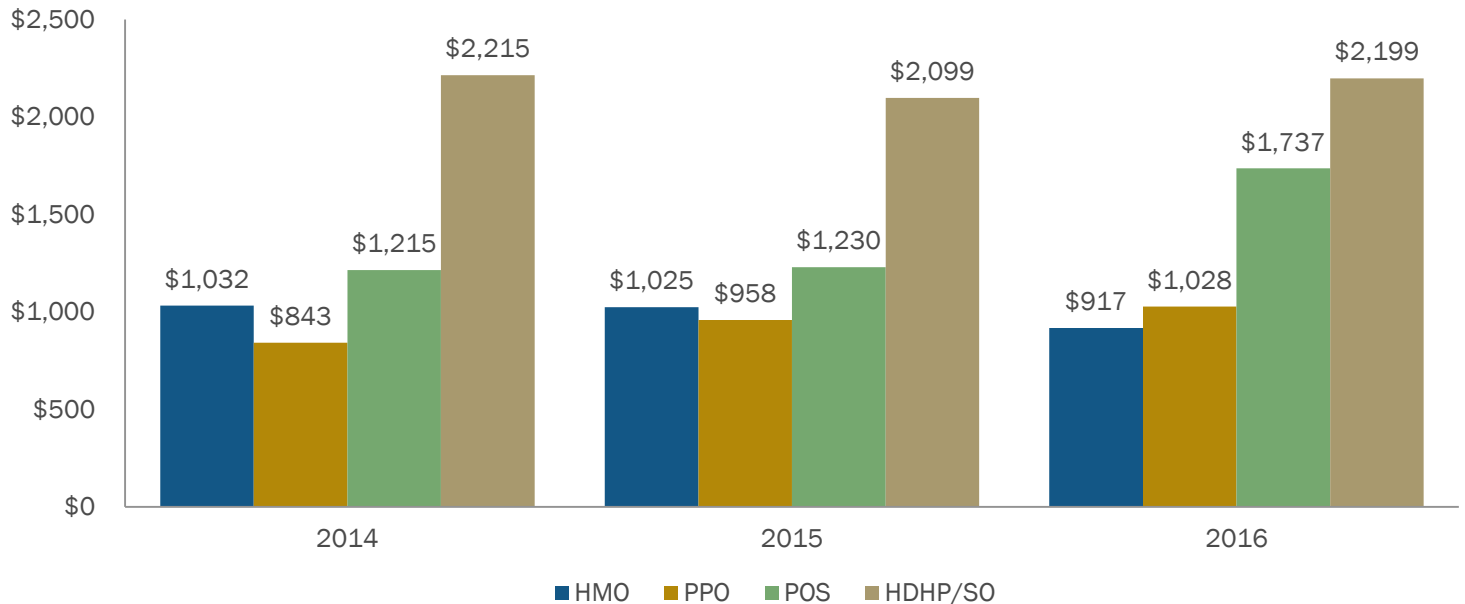
## Average Mail Order Prescription Drug Copays (90 day Supply)

Preferred Generic	\$21
Non-Pref. Generic	\$29
Brand (Formulary)	\$63
Brand (Non-Form.)	\$98
Preferred Specialty	\$93
Non-Pref. Specialty	\$113

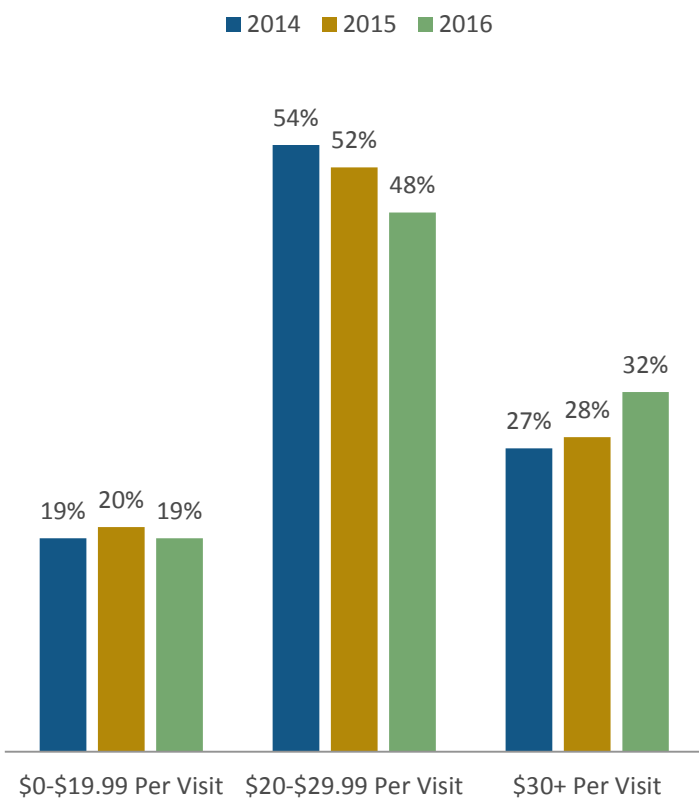
Source: Health and Well-Being Touchstone Survey Results PwC (PricewaterhouseCoopers) 2016

# Benchmarking | Plan Design

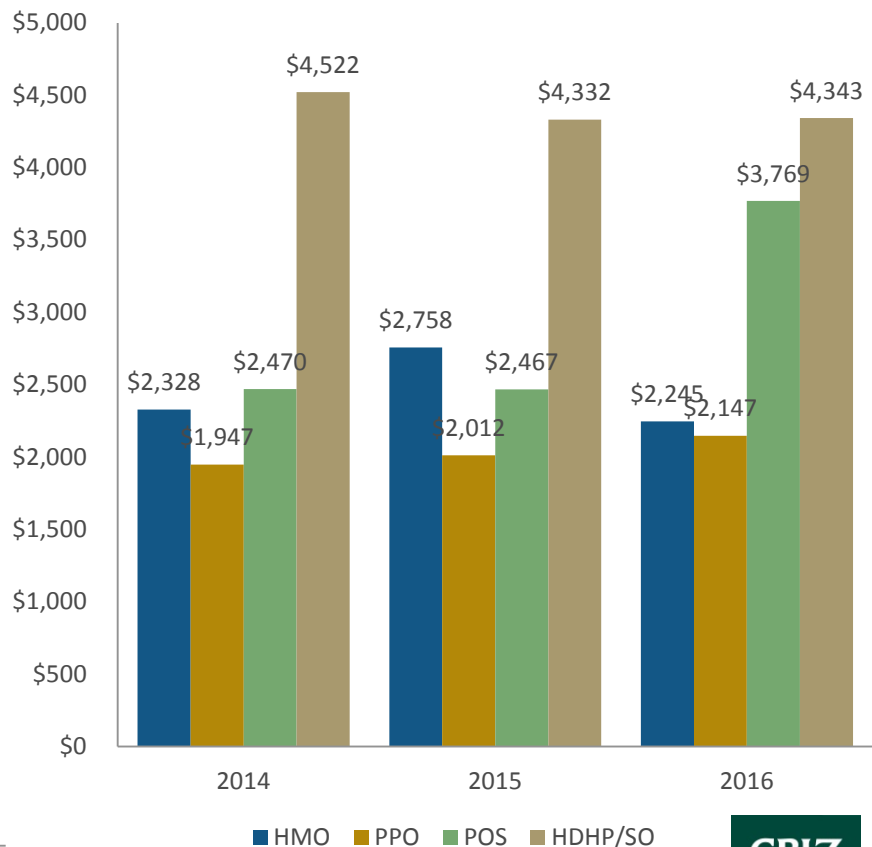
## Average Single Deductible



## Distribution of Co-Payments for Plans with a Primary Care Office Visit Co-Pay



## Average Family Deductible



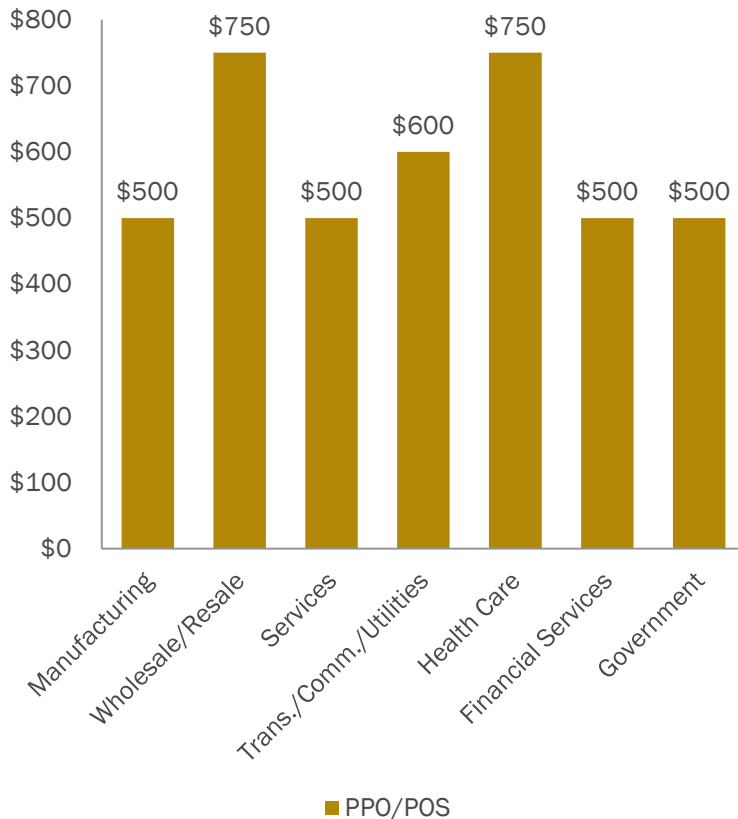
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2016



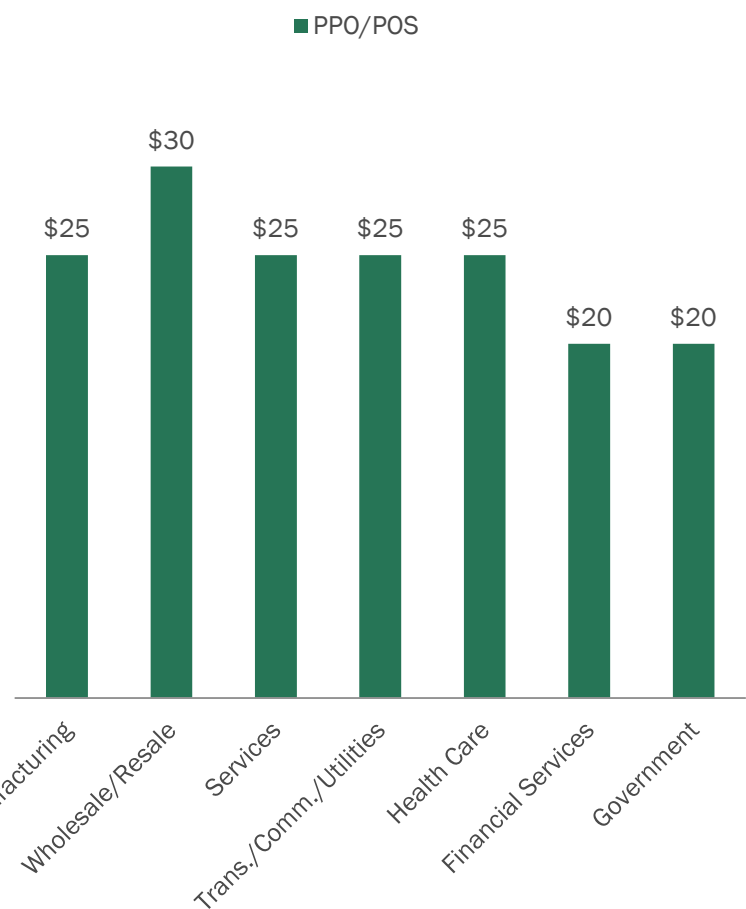


# Benchmarking | Plan Design

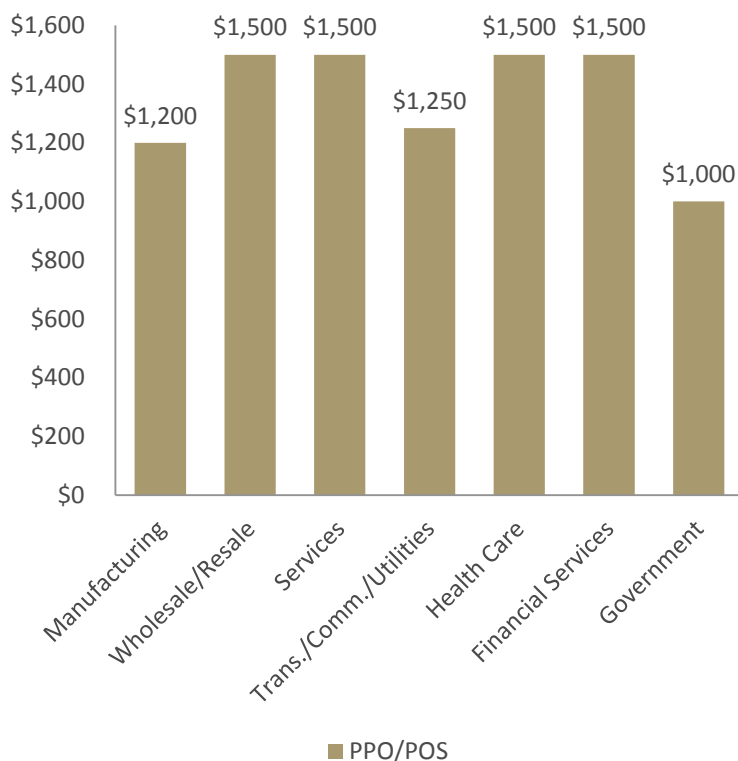
Median Single Deductible (PPO/POS)



Median Co-Payments for PPO/POS Plans with a Primary Care Office Visit Co-Pay



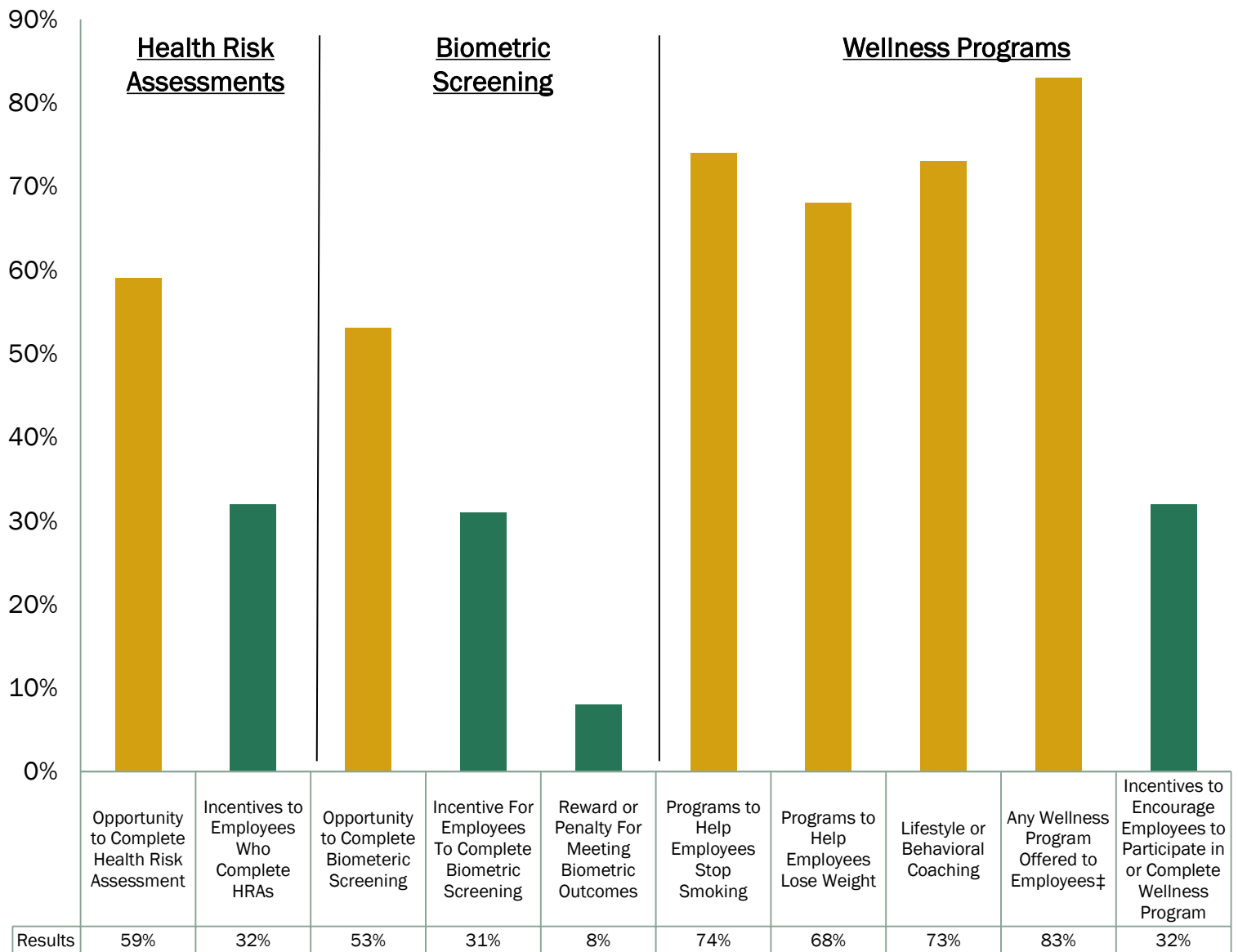
Median Family Deductible (PPO/POS)



Source: Mercer National Survey of Employer-Sponsored Health Plans, 2015 (released in 2016)

# Benchmarking | Plan Design

Among Large Firms Offering Health Benefits, Percentage of Firms Offering Incentives for Various Wellness and Health Promotion Activities, 2016



NOTE: Among large firms that offer a health risk assessment, 54% had incentives or penalties to encourage employees to complete it. Among large firms that offer biometric screening, 59% had incentives or penalties to encourage employees to complete it and 14% had incentives or penalties for employees to meet a biometric outcome. Among large firms that offer a wellness program, 42% had incentives or penalties to encourage employees to complete it.

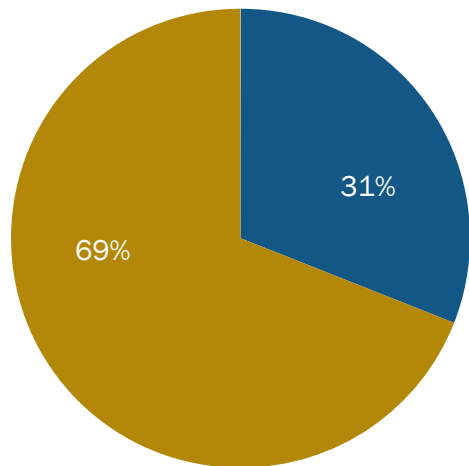
‡Firms that offer either “Programs to Help Employees Stop Smoking”, “Programs to Help Employees Lose Weight”, or “Other Lifestyle or Behavioral Coaching”.

SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2016.



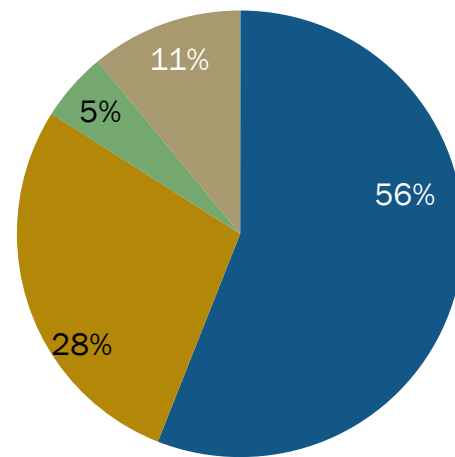
# Benchmarking | Basic Life Plan Design

Plan Design



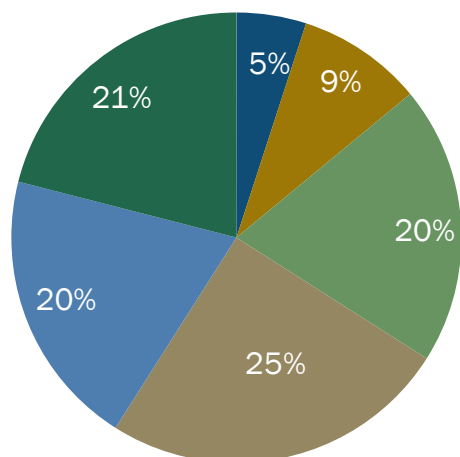
■ % of Salary    ■ Flat

% of Salary



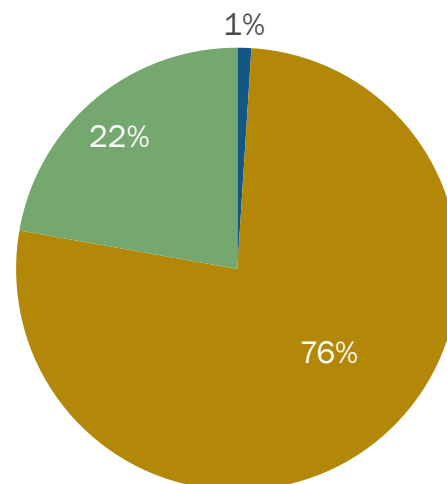
■ 1x Annual Salary    ■ 2x Annual Salary  
 ■ 3x Annual Salary    ■ Other

Maximum Issue Limit



■ 5%    ■ 9%  
 ■ 20%    ■ 25%  
 ■ 20%    ■ 21%

Rate Guarantee Period



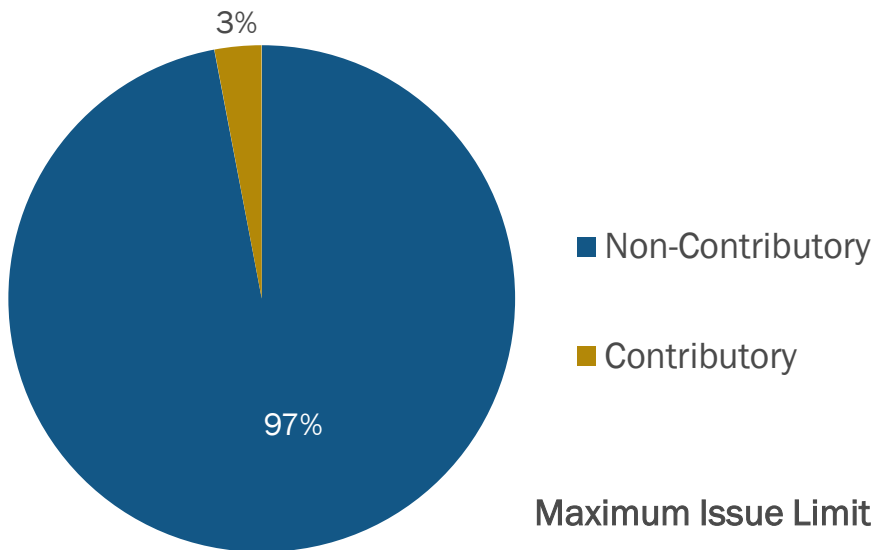
■ 12 Months  
 ■ 24 Months  
 ■ 36 Months

Source: Group Marketshare, LLC,  
 \*Based on 31,418 cases (Industry Data including Guardian)

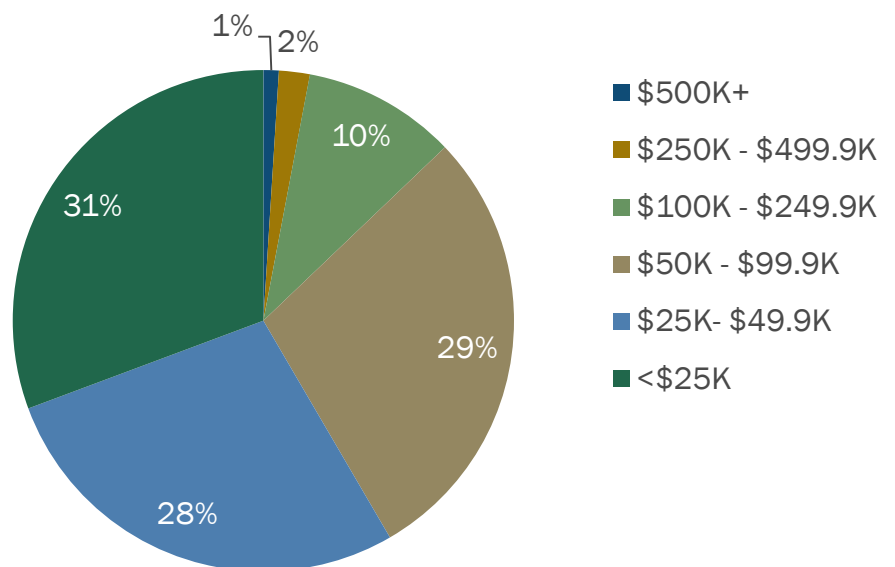


# Benchmarking | Basic Life Plan Design

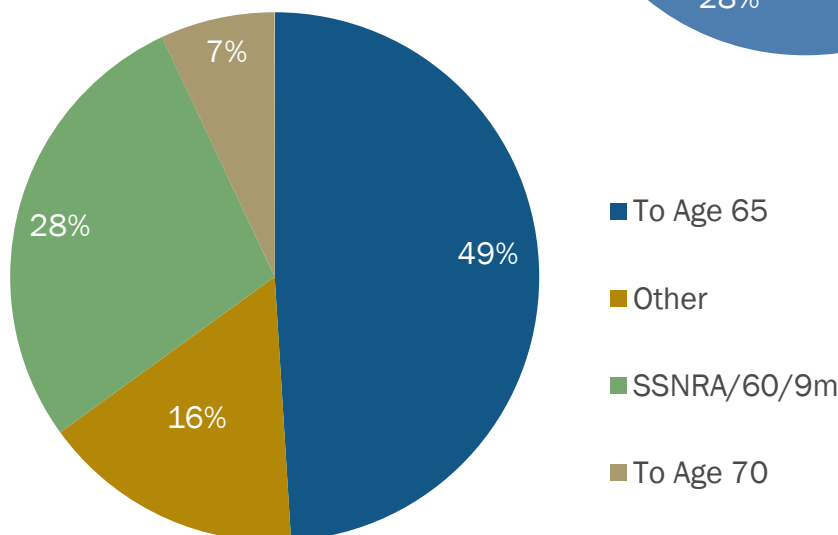
Contributory Basis



Maximum Issue Limit (Flat Benefit)



Waiver of Premium

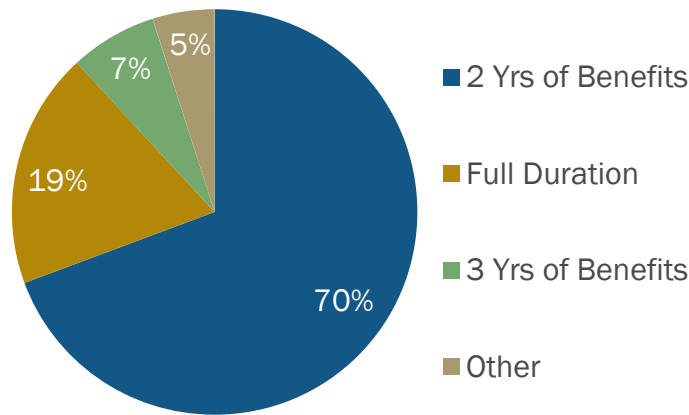


Source: Group Marketshare, LLC,  
 \*Based on 31,418 cases  
 (Industry Data including Guardian)

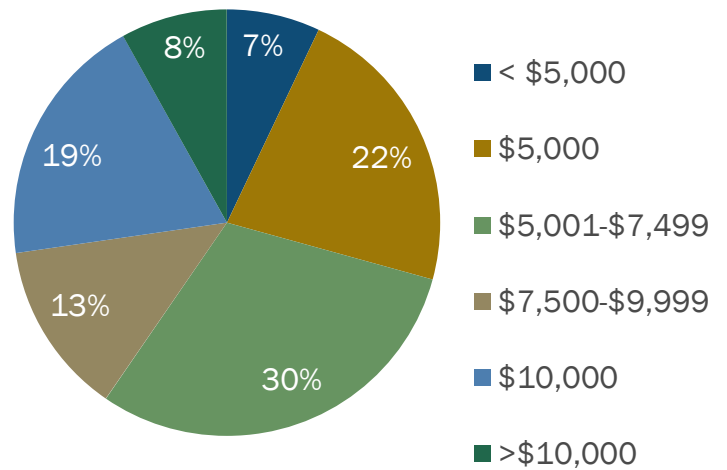


# Benchmarking | Long Term Disability Plan Design

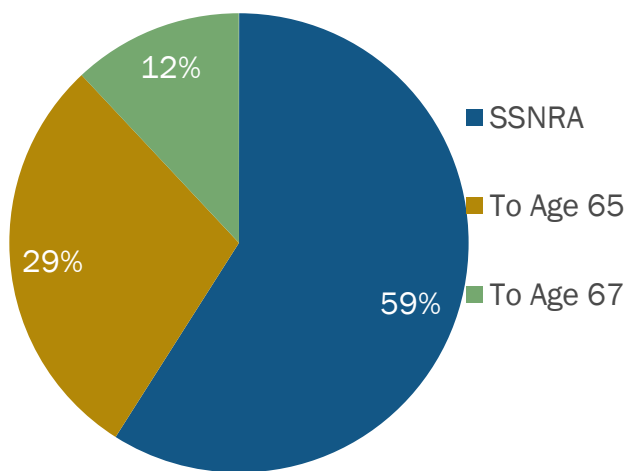
Own Occupation Period



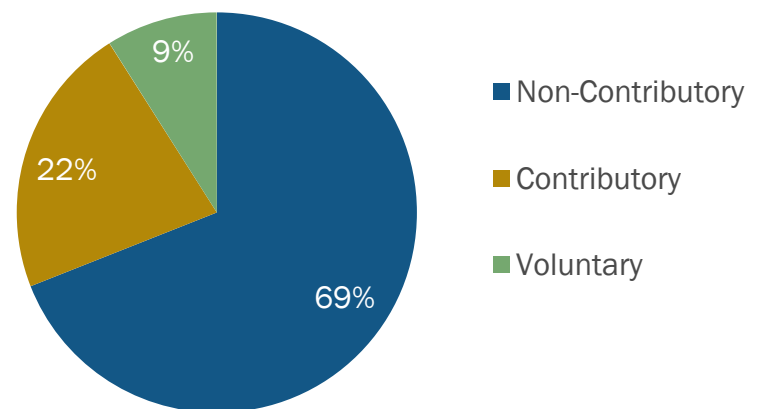
Maximum Benefit Amount



Maximum Benefit Period



Contributory Basis

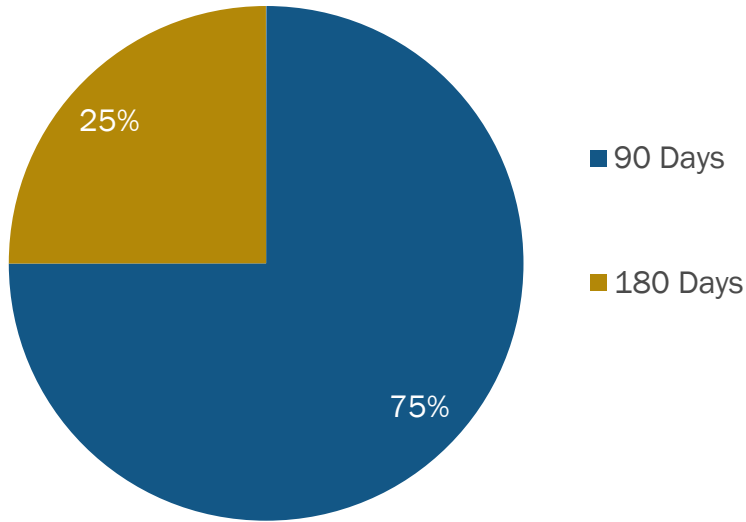


Source: Group Marketshare, LLC,  
 \*Based on 31,418 cases (Industry Data including Guardian)

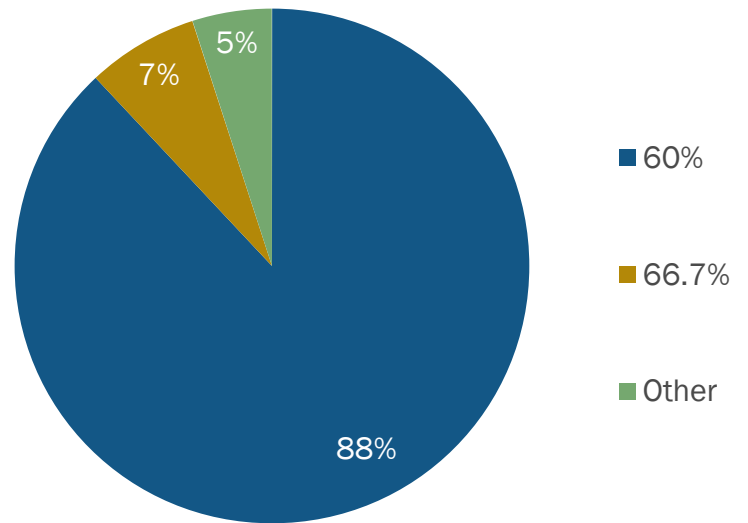


# Benchmarking | Long Term Disability Plan Design

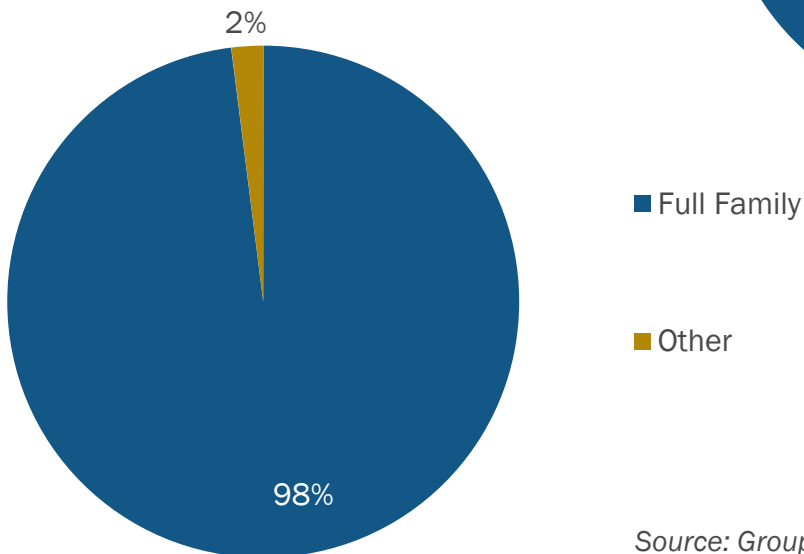
## Elimination Period



## Maximum Benefit Percentage



## Social Security Integration

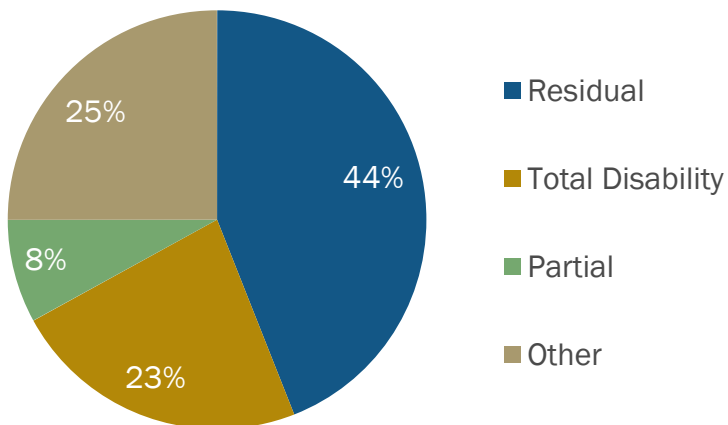


Source: Group Marketshare, LLC,  
\*Based on 31,418 cases (Industry Data including Guardian)

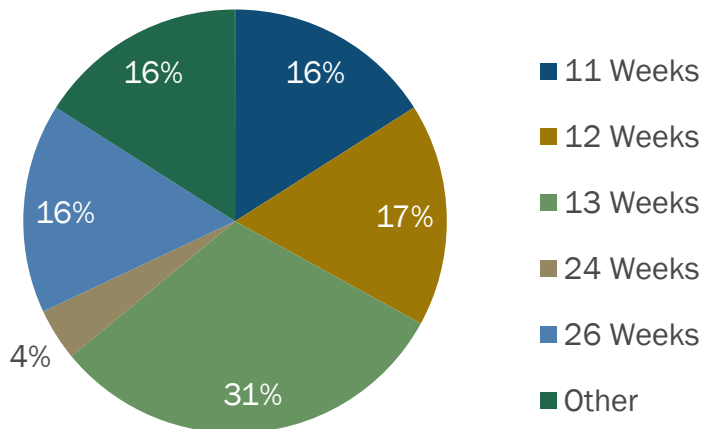


# Benchmarking | Short Term Disability Plan Design

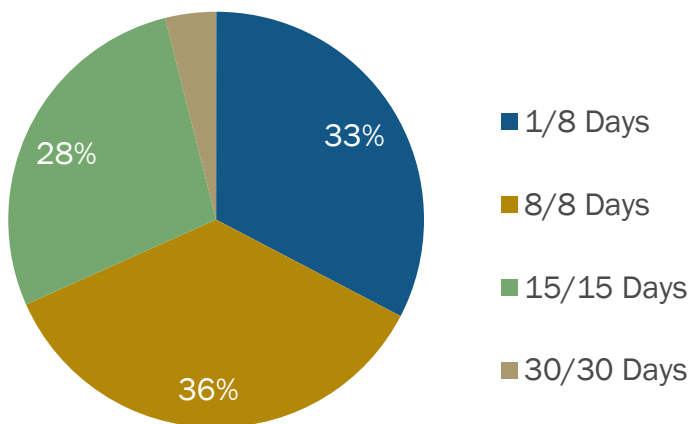
## Definition of Disability



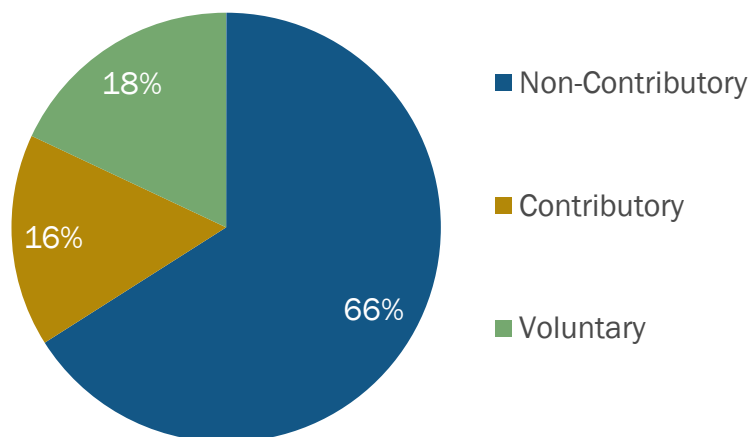
## Maximum Benefit Period



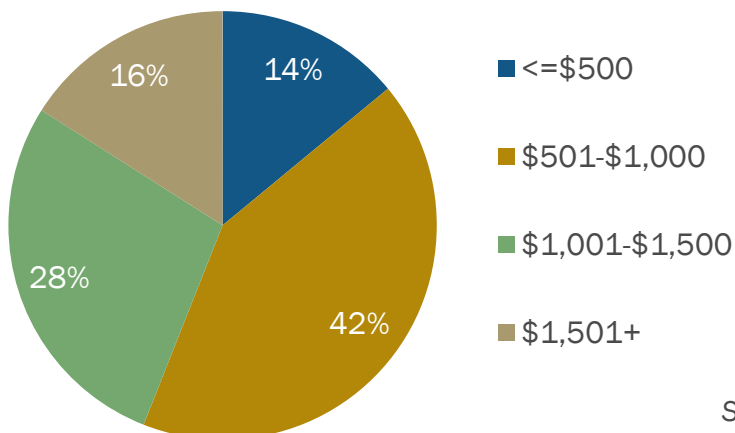
## Elimination Period



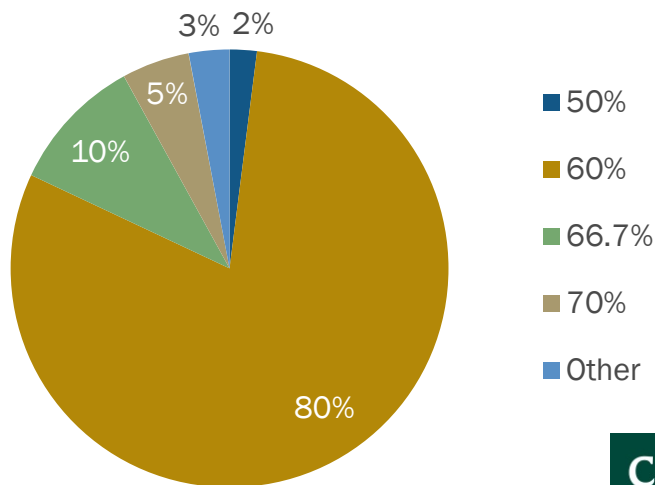
## Contributory Basis



## Maximum Weekly Benefit Amount



## Maximum Benefit Percentage

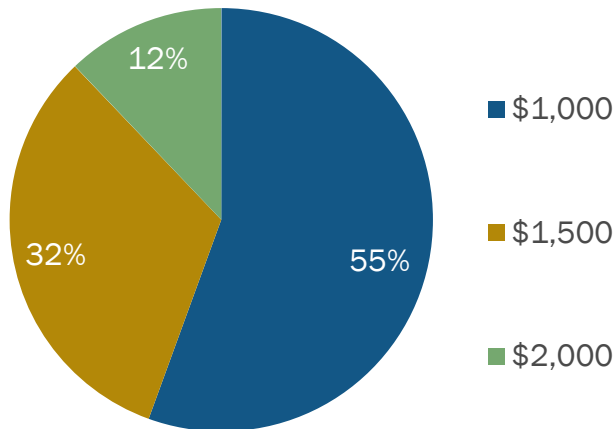


Source: Group Marketshare, LLC,  
\*Based on 31,418 cases (Industry Data including Guardian)

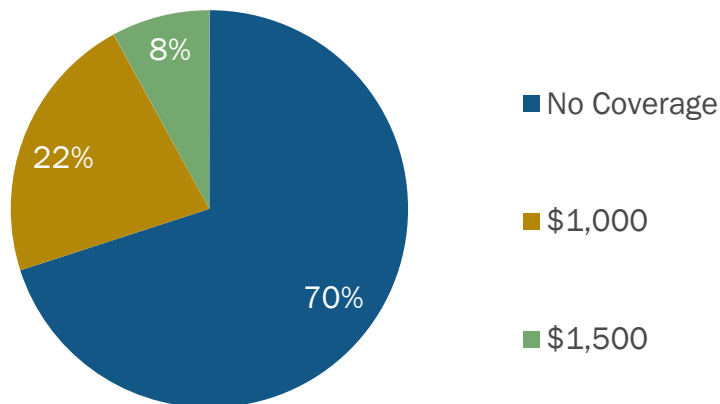


# Benchmarking | Dental Plan Design

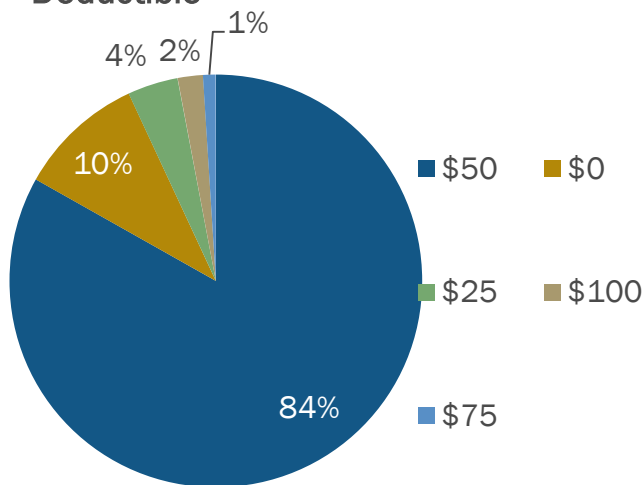
Dental Maximum



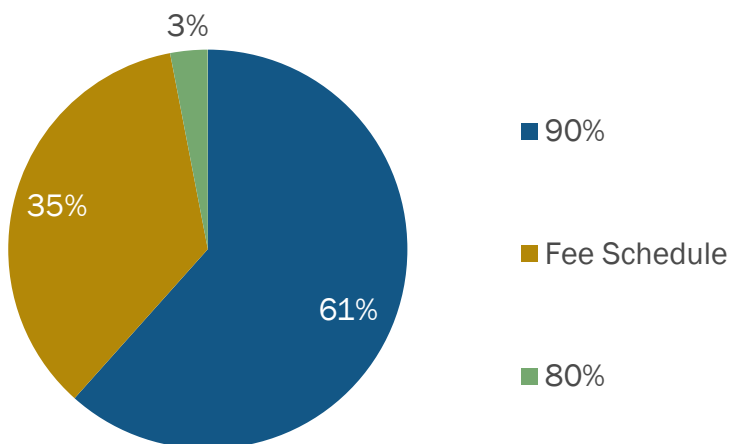
Ortho Maximum



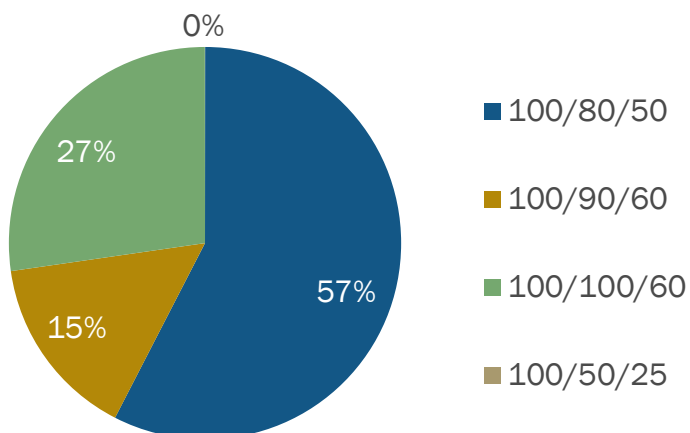
Deductible



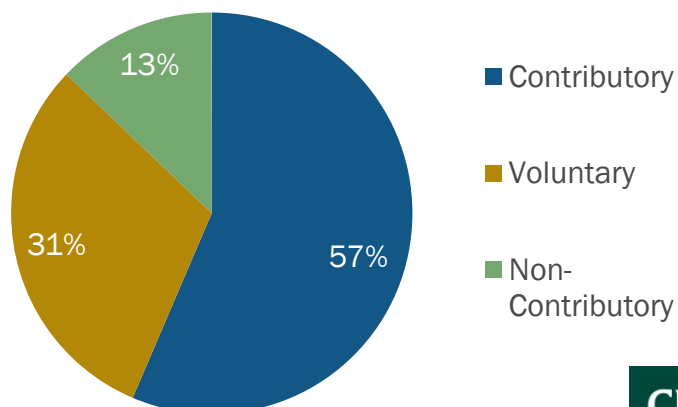
UCR



Coinsurance Combinations



Contributory Basis



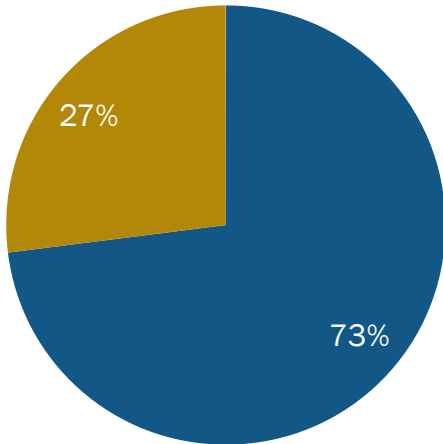
Source: June 2016 Dental GAGE Extract (Guardian Only)



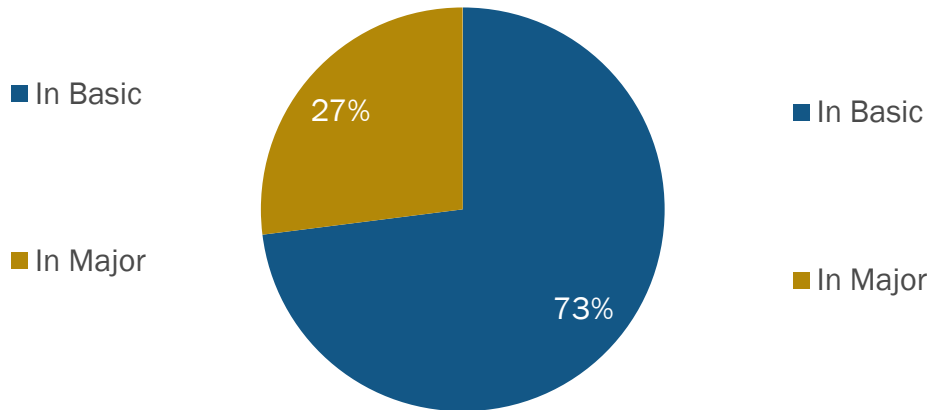


# Benchmarking | Dental Plan Design

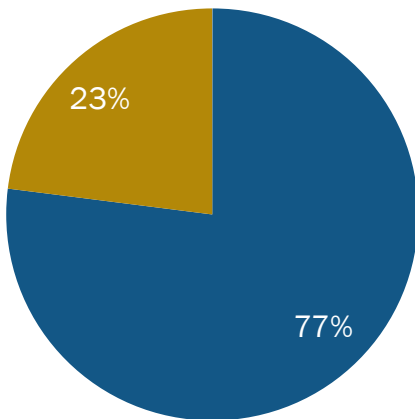
Periodontic Surgery



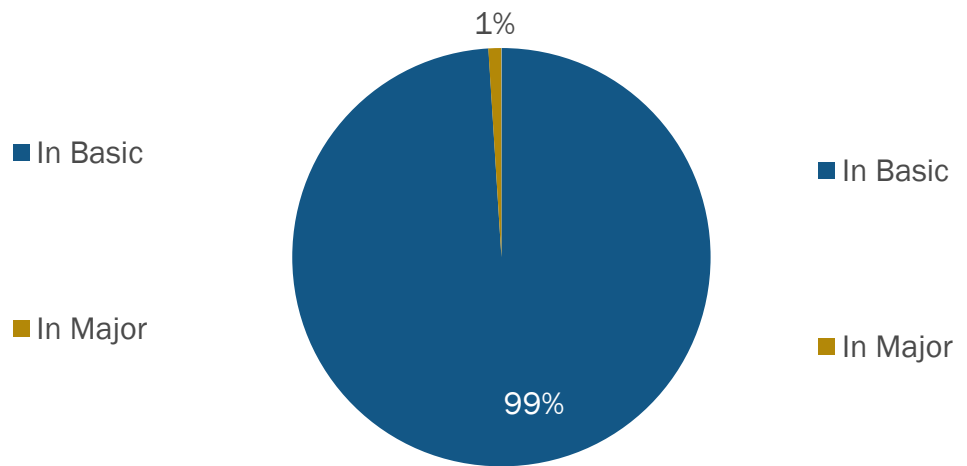
Complex Oral Surgery (Surgical Extractions and Other Oral Surgery)



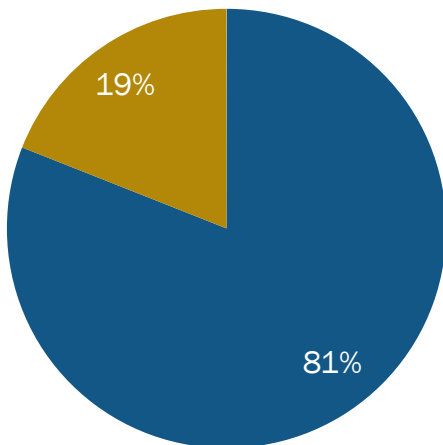
Endodontics: Molar Root Canals



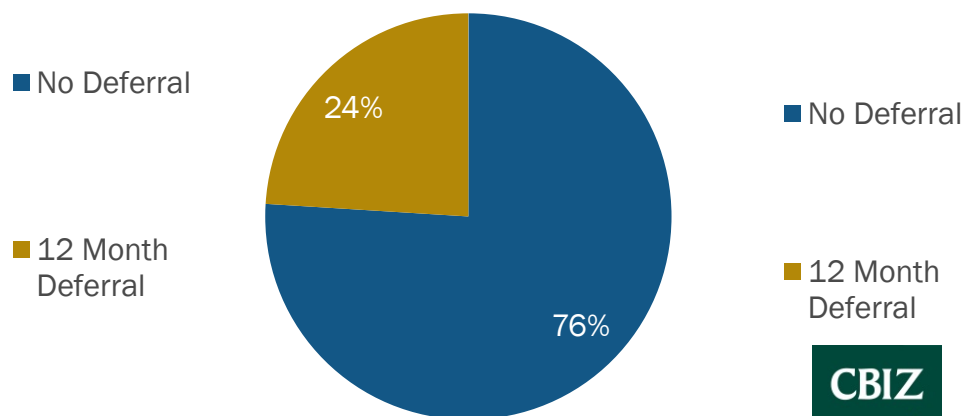
Endodontics: Non-Molar Root Canals



Deferred Perio Services



Deferred Major Services

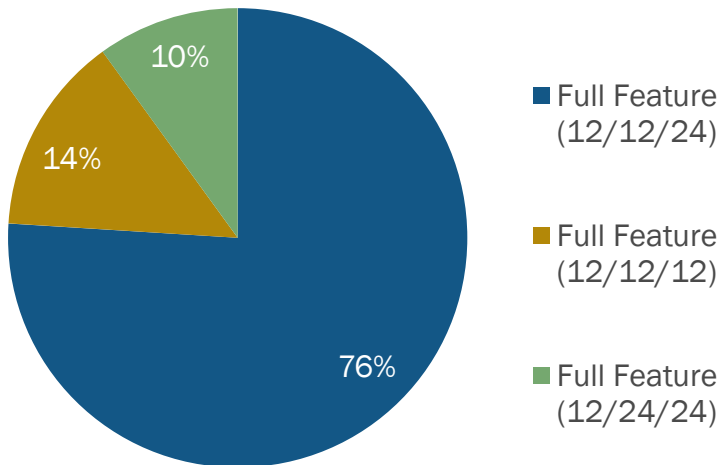


Source: June 2016 Dental GAGE Extract (Guardian Only)

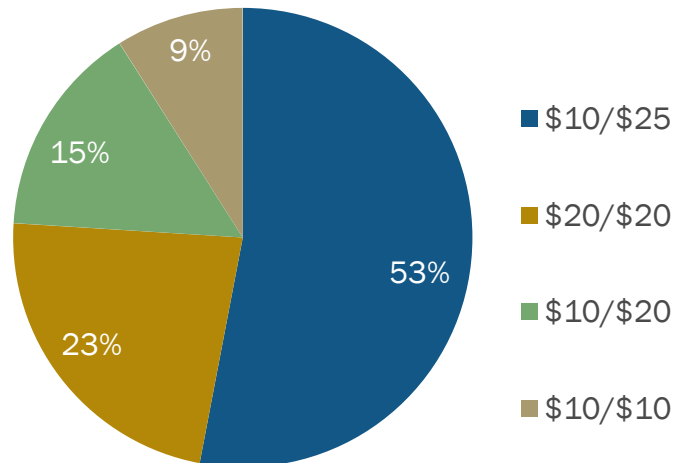


# Benchmarking | Vision Plan Design

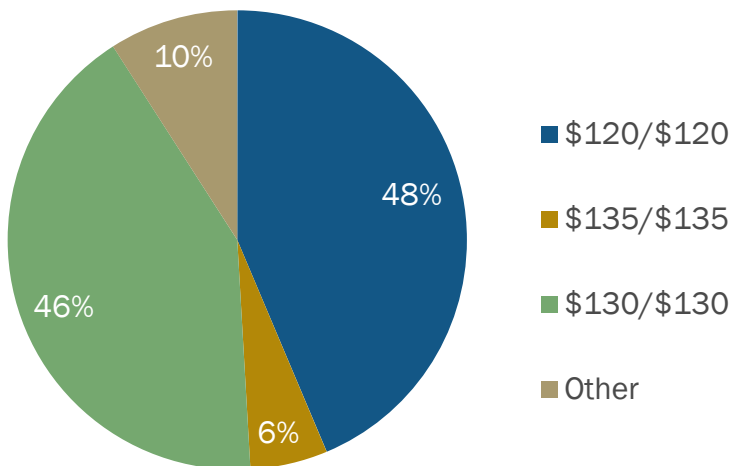
Plan Design



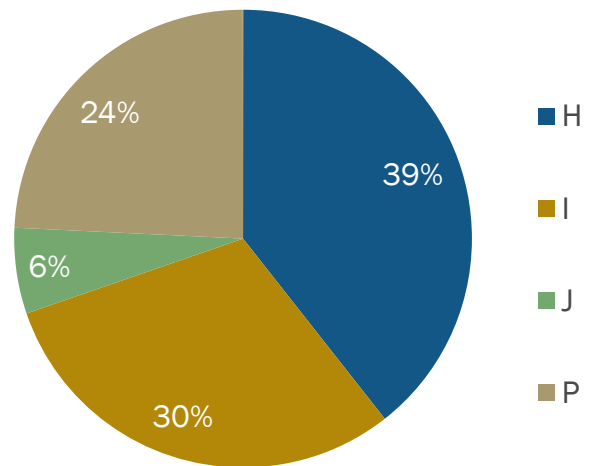
Split Copays



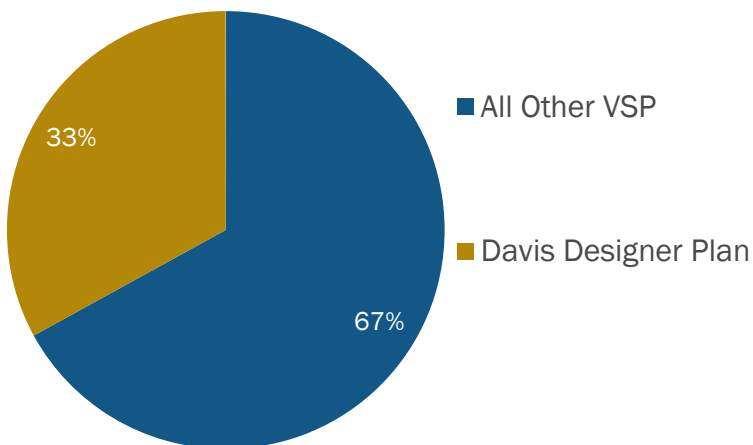
Contacts/Frame Allowances



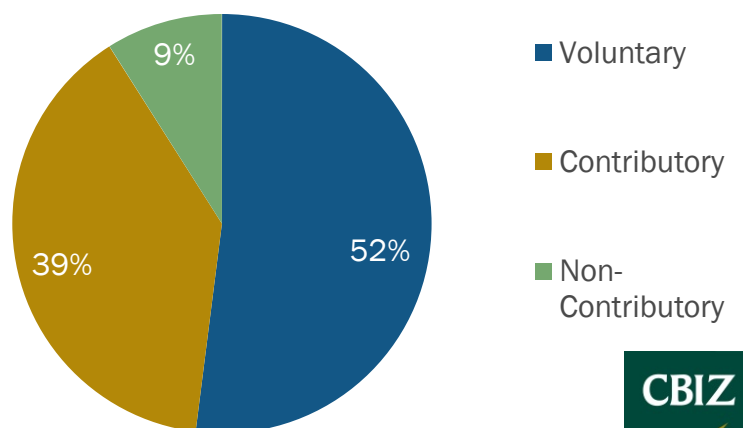
OON Schedule



VSP or Davis



Contributory Basis



Source: June 2016 Vision GAGE Extract (Guardian Only)





SECTION SIX

# 6

## *Strategic Plan*



# Innovations and Considerations

## Centers of Excellence

providing coverage for certain procedures only when doctors and facilities with **exceptional performance** records perform the service



## High Performance Networks

normally smaller networks of providers with proven efficiencies

Result in lower premiums and better outcomes



## Pharmacy Innovations

CBIZ' Pharmacy Consultants analyze the feasibility of achieving savings by contracting with purchasing coalitions



**IMPROVE  
PRICE  
TRANSPARENCY**

## Referenced Based Pricing

outside of a traditional hospital network, high cost claims are negotiated by a cost management firm resulting in **substantial savings**



## Decision-Support Technology

interactive "decision tree" responses to help participants narrow their choices based on their personal preferences



## Healthcare and Hospital Collaborations

special provider contracting that exchanges deeper discounts for partnership with a high-quality hospital provider



# 3 Year Strategic Plan (TO BE CUSTOMIZED FOR CLIENT)

STRATEGY	2017	2018	2019
<b>POLICIES AND PROCEDURES</b>	<ul style="list-style-type: none"> <li>Clarify new hire wellness incentive policy</li> <li>MRO administration policy</li> </ul>	<ul style="list-style-type: none"> <li>Healthy food and vending</li> <li>Active at work policy</li> <li>Reconsider MRO policy</li> <li>Conduct FMLA training</li> <li>Compliance checklist</li> <li>Tobacco policy</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>PLAN DESIGN</b>	<ul style="list-style-type: none"> <li>Communicate telemedicine option to employees</li> </ul>	<ul style="list-style-type: none"> <li>Introduce Consumer Driven Plan with Health Savings Account or health reimbursement account.</li> <li>Re-evaluate subsidy for not participating in health plan</li> <li>Consolidate HMO plan option to a single HMO option.</li> <li>Evaluate higher orthodontia benefit for buy up dental plan</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate reference based pricing options for common procedures</li> </ul>
<b>PRICING EFFICIENCY</b>	<ul style="list-style-type: none"> <li>Conducted Medical and dental RFP</li> </ul>	<ul style="list-style-type: none"> <li>Review additional funding options</li> <li>Strongly consider cost plus</li> <li>FMLA, life and disability RFP including performance guarantees</li> <li>Negotiate language for self-funding within union contract</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate PBM carve out</li> <li>Dental and vision RFP</li> </ul>
<b>EMPLOYEE/ SPOUSE ENGAGEMENT</b>	<ul style="list-style-type: none"> <li>HRA completion and Biometric Screening to earn discount</li> <li>Education on telemedicine option</li> <li>Platinum Vitality recognition program</li> </ul>	<ul style="list-style-type: none"> <li>Education on consumer price transparency tools</li> <li>Voluntary spouse participation in onsite screenings</li> <li>Negotiate for Spouse participation for discount</li> </ul>	<ul style="list-style-type: none"> <li>Employee earns additional discounts with gold and platinum status</li> <li>Implement tobacco surcharge</li> <li>Spouse participation in Vitality to earn discount</li> </ul>
<b>POPULATION HEALTH STATUS AND WELLBEING PROGRAMMING</b>	<ul style="list-style-type: none"> <li>Review Health Plan Performance Report</li> <li>Begin data feeds for NavMD</li> <li>Review scorecard and Vitality reporting</li> <li>WELCOA assessment</li> <li>Healthiest Employer application</li> </ul>	<ul style="list-style-type: none"> <li>Review NavMD Reports</li> <li>Update wellbeing committee on health indicators</li> <li>Eddington Next Practice and HE awards</li> </ul>	<ul style="list-style-type: none"> <li>Measure risk reduction</li> </ul>
<b>COMMUNICATION/ OPEN ENROLLMENT</b>	<ul style="list-style-type: none"> <li>Communicate Telemedicine benefit</li> <li>Passive enrollment</li> </ul>	<ul style="list-style-type: none"> <li>Active open enrollment</li> <li>New plan designs and incentive requirements</li> <li>FMLA FAQ</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>ANCILLARY LINES</b>	<ul style="list-style-type: none"> <li>Market STD/LTD</li> <li>Review EAP options</li> </ul>	<ul style="list-style-type: none"> <li>Add vol. critical illness/accident</li> <li>Explore onsite enrollment and new HRIS system</li> <li>Review transparency tools</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

## CLIENT STRUCTURE

- Organization Changes
- New Locations
- Leadership Changes
- Other



# Sample Timeline 1

ABC COMPANY SERVICE TIMELINE 2017		
MONTH	ACTIVITIES / DELIVERABLES	RESPONSIBLE
January	<ul style="list-style-type: none"> <li>- Renewal Presentation/RFP Results</li> <li>- Renewal Option Follow-Ups/Claims Updates</li> <li>- Contribution Strategies and Calculations</li> <li>- Open Enrollment Communication Drafts</li> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/ Client CBIZ/ Client CBIZ/Client CBIZ/Carriers CBIZ CBIZ
February	<ul style="list-style-type: none"> <li>- Renewal Decisions (additional option evaluation)</li> <li>- Open Enrollment/Communication Strategy Implementation</li> <li>- Open Enrollment</li> <li>- Monthly Compliance Updates</li> <li>- Quarterly Claims Dashboard</li> </ul>	Client CBIZ/Client/Carriers CBIZ/Client/Carriers CBIZ CBIZ
March	<ul style="list-style-type: none"> <li>- Open Enrollment</li> <li>- Enrollment Feeds to Carriers/Administrators</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client/Carriers BenefitsDirect CBIZ
April	<ul style="list-style-type: none"> <li>- Renewal Effective Date</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client/Carriers CBIZ
May	<ul style="list-style-type: none"> <li>- Post Open Enrollment Review</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ
June	<ul style="list-style-type: none"> <li>- 2017 Contract Reviews</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ
July	<ul style="list-style-type: none"> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ CBIZ
August	<ul style="list-style-type: none"> <li>- 5500 Preparation</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/ Client CBIZ
September	<ul style="list-style-type: none"> <li>- Monthly Compliance Updates</li> </ul>	CBIZ
October	<ul style="list-style-type: none"> <li>- 5500 Filing Deadline</li> <li>- Quarterly Claims Dashboard</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ CBIZ
November	<ul style="list-style-type: none"> <li>- Annual Stewardship Report</li> <li>- Monthly Compliance Updates</li> </ul>	CBIZ/Client CBIZ
December	<ul style="list-style-type: none"> <li>- Follow-Up Items From Annual Stewardship Report</li> <li>- Receive Renewal from BlueCross</li> <li>- Develop RFP (if applicable)</li> <li>- Monthly Compliance Updates</li> <li>- Monthly Financial/Utilization Updates</li> <li>- Compliance Checklist; Updated Contract and Admin Process Review</li> </ul>	CBIZ CBIZ/Client CBIZ/Client CBIZ/Client CBIZ CBIZ
As Needed/ Ongoing	<ul style="list-style-type: none"> <li>- Time Sensitive Communication "At Issue"</li> <li>- Client Service Support</li> <li>- Claim Resolution Support</li> <li>- Billing &amp; Eligibility Errors</li> <li>- Wellness Newsletters</li> </ul>	CBIZ



# Sample Timeline 2

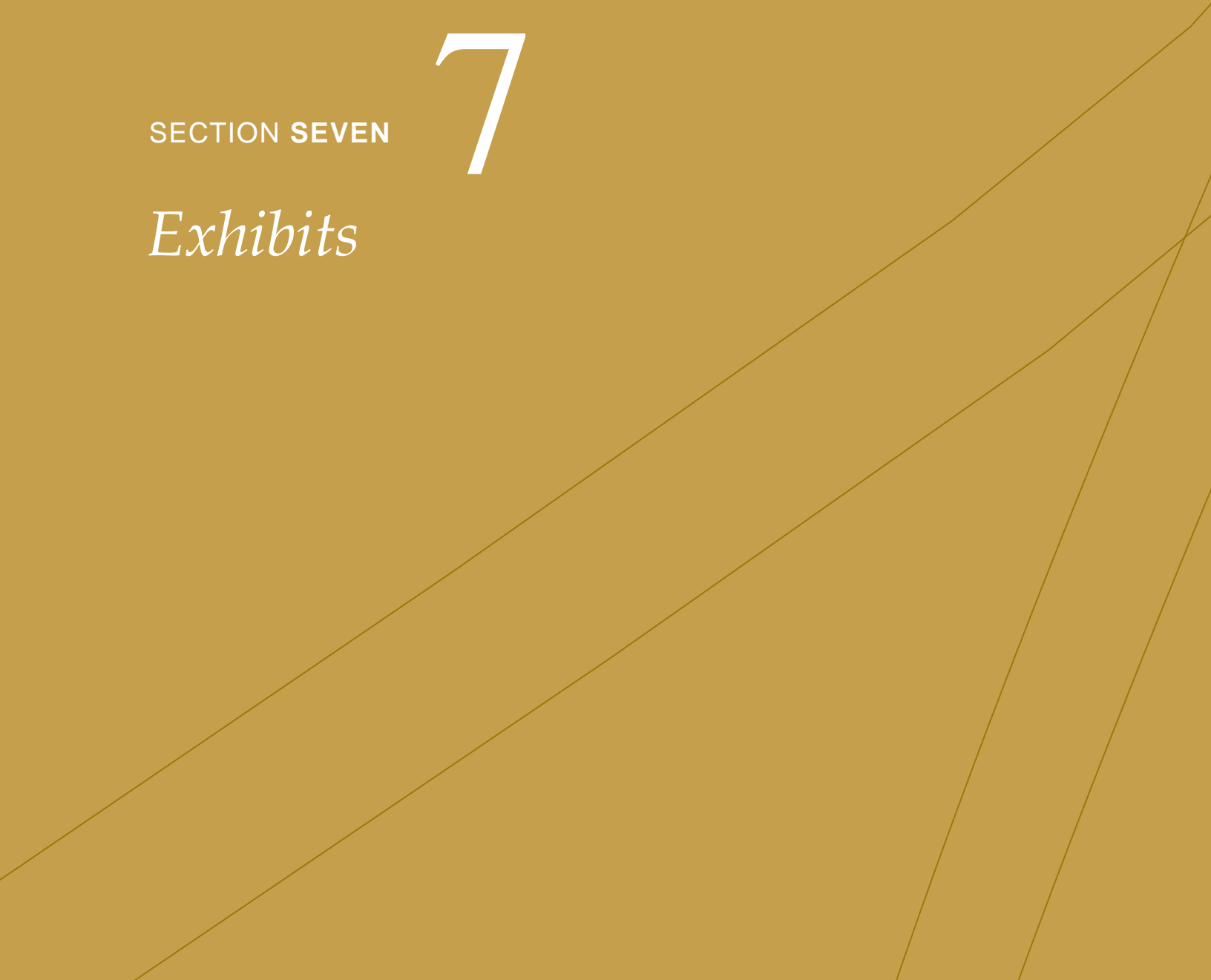
Client Name: XXXXXXXXX		Renewal Date: XXXXXXXXX	
ACTION STEP	PERSONNEL RESPONSIBLE	TARGET DATE	ACTUAL DATE
<b>ANNUAL CLAIMS REVIEW MEETING</b>			
2015 Claims Review/1st Quarter 2015-2016 Claims Summary	CBIZ/XXXX	3/15/17	
<b>PLANNING MEETING</b>			
Meet as partners to discuss company goals, changes, issues and concerns. We will provide information on trends, new ideas in the marketplace and strategize to meet your renewal objectives.	CBIZ/XXXX	3/15/17	
<b>CLAIMS REVIEW</b>			
2nd Quarter Paid Claims Review Meeting	CBIZ/XXXX	5/15/17	
<b>MARKETING Must market 10/1/17 (Stop Loss &amp; PBM if necessary)</b>			
Obtain updated census for marketing	XXXX/CBAS	3/22/17	
Prepare Request for Proposal "RFP"	CBIZ	3/29/17	
Send RFP to Marketplace	CBIZ	4/4/17	
Receive renewals from current carriers and proposals from market	CBIZ/CARRIERS	4/29/17	
Review, analyze, and summarize proposals	CBIZ	5/6/17	
Negotiate with vendors	CBIZ	5/6/17	
Meet to discuss market review, provide final claim projections	XXXX/CBIZ	5/12/17	
Meet with prospective vendors for finalist presentations	XXXX/CBIZ	5/15-5/25/17	
Meet with Insurance Committee to discuss renewal action and recommendations.	CBIZ/XXXX	6/5/17	
Obtain approval from Board	XXXX	June Board Meeting	
<b>STEWARDSHIP REVIEW (if necessary)</b>			
Stewardship Report and Review	CBIZ/XXXX	8/15/17	
<b>CLAIMS REVIEW</b>			
3rd Quarter Paid Claims Review Meeting	CBIZ/XXXX	8/15/17	
<b>COMMUNICATION STRATEGY</b>			
Develop communication pieces for open enrollment	CBIZ/OE Vendor	7/15/17	
Schedule employee meetings if necessary	XXXX/CBIZ/Vendors	7/15-8/15/17	
<b>ON-LINE ENROLLMENT IMPLEMENTATION</b>			
Provide on-line enrollment timeline	CBIZ/VENDOR	6/10/17	
On-Line Enrollment Firm builds connections and loads data	CBIZ/VENDOR	6/20-8/20/17	
Testing of system for open enrollment	CBIZ/VENDOR	8/20-8/27/17	
Gather all enrollment forms and paperwork necessary to finalize renewal	CBIZ/XXXX	9/15/17	
Compliance Meeting	CBIZ/UCSD	6/20/17	
<b>CLAIMS REVIEW</b>			
4th Quarter Paid Claims Review Meeting	CBIZ/XXXX	11/15/17	



SECTION SEVEN

# 7

*Exhibits*





# Current Plan Review

MEDICAL	Carrier Core		Carrier Buy-Up		Carrier HDHP	
Carrier Website	GH8 MOD		GH8 MOD		2W3 MOD	
Plan Type & Network	Choice Plus PPO		Choice Plus PPO		Choice Plus PPO	
Actuarial Plan Value	<i>In Network</i>	<i>Out of Network</i>	<i>In Network</i>	<i>Out of Network</i>	<i>In Network</i>	<i>Out of Network</i>
<b>Annual Deductible (calendar year) <sup>(1)</sup></b>						
Individual	\$700	\$1,100	\$450	\$500	\$2,700	\$4,600
Family	\$1,400	\$2,200	\$900	\$1,000	\$5,400	\$9,200
<b>Coinsurance</b>						
Member Pays	10%	30%	10%	30%	0%	20%
<b>Maximum Out-of-pocket (calendar year) <sup>(2)</sup></b>						
Individual	\$2,700	\$4,100	\$1,700	\$2,600	\$2,700	\$5,600
Family	\$5,400	\$8,200	\$3,400	\$5,200	\$5,400	\$11,200
<b>Lifetime Maximum</b>						
Per Individual	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
<b>Preventive Care <sup>(3)</sup></b>						
Adult and Child Routine Physicals	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 20%
Routine Mammogram	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 20%
Routine Colonoscopy	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 20%
Routine Lab and X-ray	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 30%	Covered at 100%	Ded. Then 20%
Routine Vision Exam (every other calendar year)	\$30 Copay	Ded. Then 30%	\$30 Copay	Ded. Then 30%	Deductible	Ded. Then 20%
<b>Physician Services <sup>(3)</sup></b>						
Office Visits	\$40 Copay	Ded. Then 30%	\$40 Copay	Ded. Then 30%	Deductible	Ded. Then 20%
Diagnostic (Non-routine) Tests and Labs	Ded. Then 10%	Ded. Then 30%	Ded. Then 10%	Ded. Then 30%	Deductible	Ded. Then 20%
Urgent Care	\$50 Copay	Ded. Then 30%	\$50 Copay	Ded. Then 30%	Deductible	Ded. Then 20%
<b>Hospital Services</b>						
Inpatient Care	Ded. Then 10%	Ded. Then 30%	Ded. Then 10%	Ded. Then 30%	Deductible	Ded. Then 20%
Outpatient Surgery	Ded. Then 10%	Ded. Then 30%	Ded. Then 10%	Ded. Then 30%	Deductible	Ded. Then 20%
Outpatient Nonsurgical Care	Ded. Then 10%	Ded. Then 30%	Ded. Then 10%	Ded. Then 30%	Deductible	Ded. Then 20%
Emergency room	\$150 Copay		\$150 Copay		Deductible	
<b>Additional Services</b>						
Ambulance	Ded. Then 10%		Ded. Then 10%		Deductible	
Chiropractic	50%	50%	50%	50%	Deductible	Ded. Then 20%
Occupational & Physical Therapy <sup>(4)</sup>	\$40 Copay	Ded. Then 30%	\$40 Copay	Ded. Then 30%	Deductible	Ded. Then 20%
Speech & Hearing Therapy <sup>(4)</sup>	\$40 Copay	Ded. Then 30%	\$40 Copay	Ded. Then 30%	Deductible	Ded. Then 20%
Dependent Age Limit	To age 26		To age 26		To age 26	
Pre-existing Limitations	No Pre-Ex		No Pre-Ex		No Pre-Ex	
<b>Prescription Drugs</b>						
Deductible					Subject to medical deductible and then covered at 100%	
Level 1	\$10		\$10			
Level 2	\$35		\$35			
Level 3	\$60		\$60			
Level 4	NA		NA			
Mail Order (90 Day Supply)	2.5X		2.5X			

Note: This is only a summary. Please refer to the booklet/certificate for specific details. If a conflict arises, the booklet/certificate will govern in all cases.

\*\*Option 2 with ADVANTAGE PDL

(1) Family deductible is embedded for PPO plans. An individual covered in a family will not pay more than the individual deductible.

\*Deductible is embedded

(2) PPO out-of-pocket amount includes coinsurance, deductible, medical, and Rx copays.

(3) In addition to copay, deductible and coinsurance applies when following services are done: CT, PET, MRI, Nuclear Medicine, Scopic Procedures, Surgery, Therapeutic Treatments.

(4) Limited to 20 visits / calendar year / type of therapy.



**SAMPLE EMPLOYER POLICY – DETERMINING FULL-TIME STATUS OF ELIGIBLE EMPLOYEES  
FOR PARTICIPATION IN GROUP HEALTH PLAN**

**Very Important Notes:**

- This document is only a sample. It must be reviewed and revised accordingly to comply with the terms of your group health plan, or your particular situation or circumstances. Your legal counsel should review this document before it is used.
- This sample policy assumes that a look-back measurement method is used by the employer both to determine full time status and eligibility for the group health plan(s) for all classes of employees. Note, a monthly measurement method can be used to determine employment status. Eligibility for health coverage need not be tied to full-time status determination. However, to avoid the risk of an IRC Section 4980H penalty, at minimum, all full-time employees must be offered adequate and affordable coverage.

**[TITLE OF EMPLOYER POLICY]**

[Name of Employer/Plan Sponsor] adopts this Policy to identify eligible full-time employees for purposes of participation in the [Name of Group Health Plan].

**SECTION 1. DEFINITIONS**

For purposes of this Policy, the following terms have the following meanings:

**"Controlled or Affiliated Group"** means the group of organizations consisting of the Plan Sponsor and any other organization that is part of a controlled group or affiliated service group with the Plan Sponsor within the meaning of Code §414(b), (c), (m), or (o).

**"Eligible Employee"** has the meaning set forth in the [Name of Group Health Plan(s)]

**"Employee"** has the meaning set forth in the [Name of Group Health Plan(s)]

**"Employer"** means [Name of Employer/Plan Sponsor].

**"Full-Time Employee"** means an Employee of the Employer who is credited with an average of at least 30 Hours of Service per week during a Measurement Period. For this purpose, 130 Hours of Service in a calendar month is treated as the monthly equivalent of at least 30 Hours of Service per week.

**"Hour of Service"** means:

1. Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer, and
2. Each hour for which an Employee is paid, or entitled to be paid by the Employer for a period of time during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. In addition, third party paid time such as short term or long term disability counts in determining hour of service as long as the individual remains employed and as long it is funded directly or indirectly by the employer; state temporary disability and state workers compensation are not counted.

An Hour of Service for one organization is treated as an Hour of Service for all other organizations that are part of the same Controlled or Affiliated Group for all periods during which those organizations are part of the same Controlled or Affiliated Group.

Hours of Service for all Employees are credited using actual Hours of Service from records of hours worked and hours for which payment is made or due.

**"Initial Administrative Period"**. With respect to a New Employee who is a Part-Time Employee, Seasonal Employee, or Variable-Hour Employee, the Initial Administrative Period means all periods of time between the Employee's Start Date and the beginning of the Employee's Initial Stability Period other than the Employee's Initial Measurement Period.

**"Initial Measurement Period"**. With respect to a New Employee who is a Part-Time Employee, Variable-Hour Employee, or Seasonal Employee, the Initial Measurement Period is the [x]-month period beginning on the first day of the calendar month following the Employee's Start Date.

**"Initial Stability Period"**. With respect to a New Employee who is a Part-Time Employee, Variable-Hour Employee, or Seasonal Employee, except as provided in Section 3.2.2.(D), the Initial Stability Period is the [x]-month period beginning on the first day of the second calendar month after the end of the Initial Measurement Period.

**"New Employee"** means an Employee who has been employed for less than one complete Standard Measurement Period.

**"Ongoing Employee"** means an Employee who has been employed for at least one complete Standard Measurement Period.

**"Part-Time Employee"** means a New Employee whom the Employer reasonably expects to be employed on average less than 30 Hours of Service per week during the Employee's Initial Measurement Period, based on the facts and circumstances at the Employee's Start Date.

**"Period of Employment"** means the period of time beginning on the first date for which an Employee is credited with an Hour of Service for an Employer or any member of the Controlled or Affiliated Group and ending on the last date on which the Employee is credited with an Hour of Service for that Employer or any member of the Controlled or Affiliated Group, both dates inclusive. An Employee may have one or more Periods of Employment with the same Employer.

**"Plan"** means the [Name of Group Health Plan(s)].

**"Plan Sponsor"** means the [Name of Employer/Plan Sponsor]

**"Seasonal Employee"** means a New Employee who is hired into a position for which the customary annual employment is six months or less, occurring at approximately the same time each year.

**"Special Unpaid Leave"** means unpaid leave that is subject to the Family and Medical Leave Act (FMLA), the Uniformed Services Employment and Reemployment Rights Act (USERRA), or on account of jury duty

**"Standard Administrative Period"** means the period beginning [insert date or timeframe] each year and ending [insert date or timeframe].

**"Standard Measurement Period"** means the period beginning [insert date or timeframe] and ending [insert date or timeframe].

**"Standard Stability Period"** means the period beginning [insert date or timeframe] each year and ending [insert date or timeframe]. The same Standard Stability Period applies with respect to Employees who are determined to be Full-Time Employees during the Standard Measurement Period and Employees who are determined not to be Full-

Time Employees during the Standard Measurement Period.

**"Start Date"** means the first date on which an Employee is credited with an Hour of Service with the Employer or a member of the Controlled or Affiliated Group.

**"Variable-Hour Employee"** means a New Employee if, based on the facts and circumstances at the Employee's Start Date, the Employer cannot determine whether the Employee is reasonably expected to be employed on average at least 30 Hours of Service per week during the Initial Measurement Period because the Employee's hours are variable or otherwise uncertain.

## SECTION 2. ELIGIBILITY AND PARTICIPATION

### 2.1 Relationship between Full-Time Status and Eligibility

All Employees who are determined to be Full-Time Employees with respect to a given period of time are Eligible Employees under the [Name of Group Health Plan] during that period of time.

### 2.2 Modification

This Policy is established as a part of the [Name of Group Health Plan] and may be modified or amended in the same manner as the [Name of Group Health Plan].

## SECTION 3. IDENTIFICATION OF FULL-TIME EMPLOYEES AND ELIGIBLE EMPLOYEES

### 3.1 Ongoing Employees

- A. **Employees determined to be Full-Time.** An Ongoing Employee who is determined to be a Full-Time Employee during a Standard Measurement Period will be considered a Full-Time Employee, and thus an Eligible Employee, for each calendar month during the Standard Stability Period associated with that Standard Measurement Period, except to the extent the special rule described in Section 3.4 of this Policy applies.
- B. **Employees determined not to be Full-Time.** An Ongoing Employee who is determined not to be a Full-Time Employee during a Standard Measurement Period will not be considered a Full-Time Employee, and thus not an Eligible Employee, for any calendar month during the Standard Stability Period associated with that Standard Measurement Period.

### 3.2 New Employees

**3.2.1 New Full-Time Employees.** A New Employee who is reasonably expected at his or her Start Date to be a Full-Time Employee (and is not a Seasonal Employee) is considered a Full-Time Employee, and thus an Eligible Employee, beginning on the Employee's Start Date; however, he or she may be subject to a waiting period in accordance with [Name of Group Health Plan].

A. Factors for Determining Full-Time Status. Although no single factor is determinative, the following factors may be relevant in determining whether a New Employee who is not a Seasonal Employee is reasonably expected at his or her Start Date to be a Full-Time Employee:

- I. Whether the Employee is replacing an Employee who was (or was not) a Full-Time Employee.
- II. The extent to which Hours of Service of Ongoing Employees in the same or comparable positions have varied above and below an average of 30 Hours of Service per week during recent Measurement Periods.
- III. Whether the job was advertised or otherwise communicated to the Employee or otherwise documented (for example, through a contract or job description) as requiring hours of service that would average 30 or more Hours of Service per week or less than 30 Hours of Service per week.

B. Transition to Ongoing Employee. Once a New Employee who is a Full-Time Employee has been employed for an entire Standard Measurement Period, the Employee becomes an Ongoing Employee, and the Employee's status as a Full-Time Employee and as an Eligible Employee is governed by the provisions of this Policy regarding Ongoing Employees.

**3.2.2 New Variable-Hour Employees.** A New Employee who is a Part-Time Employee, Seasonal Employee, or Variable-Hour Employee, hereinafter collectively referred to as a Variable-Hour Employee, is not initially considered a Full-Time Employee and will have Hours of Service measured over an Initial Measurement Period and be treated as follows:

- A. **Full-Time after Initial Measurement Period.** If a New Variable-Hour Employee is determined to be a Full-Time Employee during the Employee's Initial Measurement Period based on the Hours of Service credited during the Initial Measurement Period, the Employee will be considered a Full-Time Employee, and thus an Eligible Employee, for each calendar month during the Employee's Initial Stability Period.
- B. **Not Full-Time after Initial Measurement Period.** If a New Variable-Hour Employee is determined not to be a Full-Time Employee during the Employee's Initial Measurement Period based on the Hours of Service credited during the Initial Measurement Period, the Employee will not be considered a Full-Time Employee, and thus not an Eligible Employee, during the Employee's Initial Stability Period, except to the extent provided under the provisions of this policy regarding Ongoing Employees.
- C. **Change in status during the Initial Measurement Period.** Notwithstanding the foregoing, if a New Variable-Hour Employee experiences a change in employment status before the end of the Employee's Initial Measurement Period such that if the Employee had begun employment in that new status the Employee would have reasonably been expected to be a Full-Time Employee (and not a Variable-Hour Employee), the Employee will be considered a Full-Time Employee, and thus an Eligible Employee, beginning on the first day of the calendar month after the change in the Employee's employment status or, if earlier, at the beginning of the Employee's Initial Stability Period, if the Employee is determined to be a Full-Time Employee during the Employee's Initial Measurement Period.
- D. **Transition to Ongoing Employee.** Once a New Variable-Hour Employee has been employed for an entire Standard Measurement Period, the Employee becomes an Ongoing Employee, and the Employee's status as a Full-Time Employee, and thus as an Eligible Employee, is governed by the provisions of this Policy regarding Ongoing Employees, but subject to the following:
  - I. *Full-Time during the Initial Measurement Period but not the first Standard Measurement Period.* If the Employee is determined not to be a Full-Time Employee for the Standard Measurement Period that overlaps or immediately follows the Employee's Initial Measurement Period, the Employee will continue to be considered a Full-Time Employee, and thus an Eligible Employee, for each calendar month during the Initial Stability Period, if the Employee was determined to be a Full-Time Employee during the Employee's Initial Measurement Period.
  - II. *Full-Time during the first Standard Measurement Period but not during the Initial Measurement Period.* If the Employee is determined to be a Full-Time Employee for the Standard Measurement Period that overlaps or immediately follows the Employee's Initial Measurement Period, the Employee will be considered a Full-Time Employee, and thus an Eligible Employee, for each calendar month during the entire Standard Stability Period associated with the Employee's first Standard Measurement Period, even though that Standard Stability Period may overlap an Initial Stability Period associated with an Initial Measurement Period during which the Employee was determined not to be a Full-Time Employee.
  - III. *Full-Time during both the Initial Measurement Period and the first Standard Measurement Period.* If the Employee is considered a Full-Time Employee, and thus an Eligible Employee, during both the Employee's Initial Stability Period and the Employee's first Standard Stability Period, the Employee will be considered a Full-Time Employee, and thus an Eligible Employee, during any period between the end of the Initial Stability Period and the beginning of the Employee's first Standard Stability Period.

### **3.3 Rehired Employees**

An Employee who is terminated and rehired will be treated as a New Employee upon rehire only if the Employee was not credited with an Hour of Service with the Employer or any member of the Controlled or Affiliated Group for a period of at least 13 consecutive weeks (*or, 26 weeks for educational organizations*) immediately preceding the date of rehire or, if less, a period of consecutive weeks that exceeds the greater of:

- ◆ Four weeks, or
- ◆ The number of weeks of the Employee's immediately preceding Period of Employment.

For purposes of applying these rehire rules, the duration of the Period of Employment immediately preceding a period during which an Employee was not credited with any Hours of Service is determined after application to that Period of Employment of the rules on Special Unpaid Leave, if and to the extent those rules are applicable.

### **3.4 Election to apply rule on midyear change to Part-Time Status**

With regard to instances where a Full-Time Employee changes employment status in the middle of a stability period, the Employee will cease to be a Full-Time Employee on the [insert applicable period] after the change in employment status described herein. This section applies to a Full-Time Employee if:

- A. The Employer has offered the Employee minimum value coverage continuously during the period beginning [insert applicable period] following the Employee's initial three full calendar months of employment and ending on the last day of the calendar month in which the change in employment status occurs;
- B. The Employee has a change in employment status to a position or status in which the Employee would not have reasonably been expected to be a Full-Time Employee if the Employee had begun employment in that position or status; and
- C. The Employee actually is credited with less than 130 Hours of Service for each of the three full calendar months following such change in employment status.

### **3.5 Taking Special Unpaid Leave into Account**

For purposes of determining an Employee's average Hours of Service during a Measurement Period, the average Hours of Service for that Measurement Period are determined by computing the average after excluding any periods of Special Unpaid Leave during that Measurement Period and by using that average as the average for the entire Measurement Period.

**Effective Date of Policy.** This Policy is effective [insert date].

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Date

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[NAME OF EMPLOYER/PLAN SPONSOR]



# Historic Renewal Action

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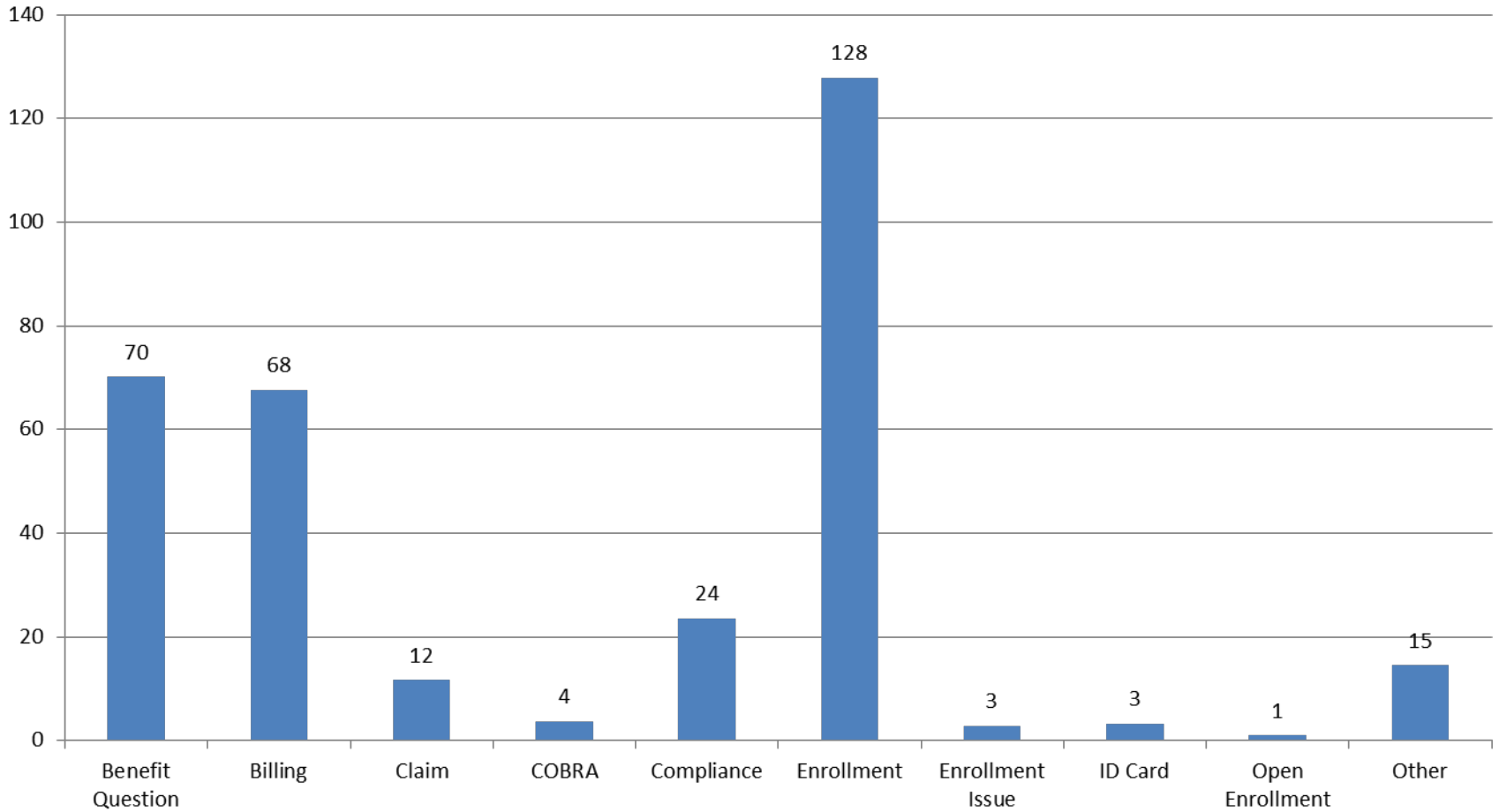


# Additional Reports

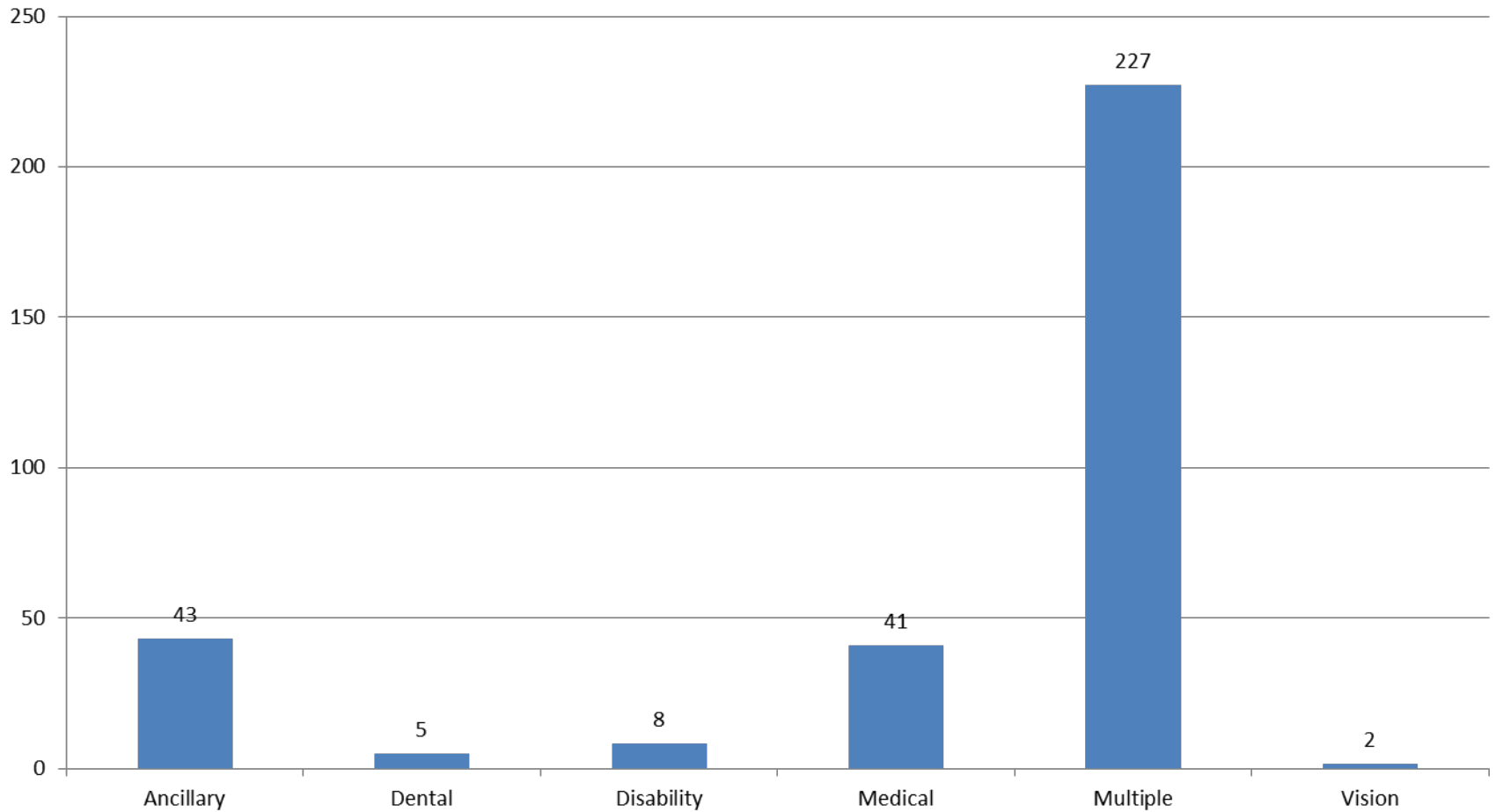
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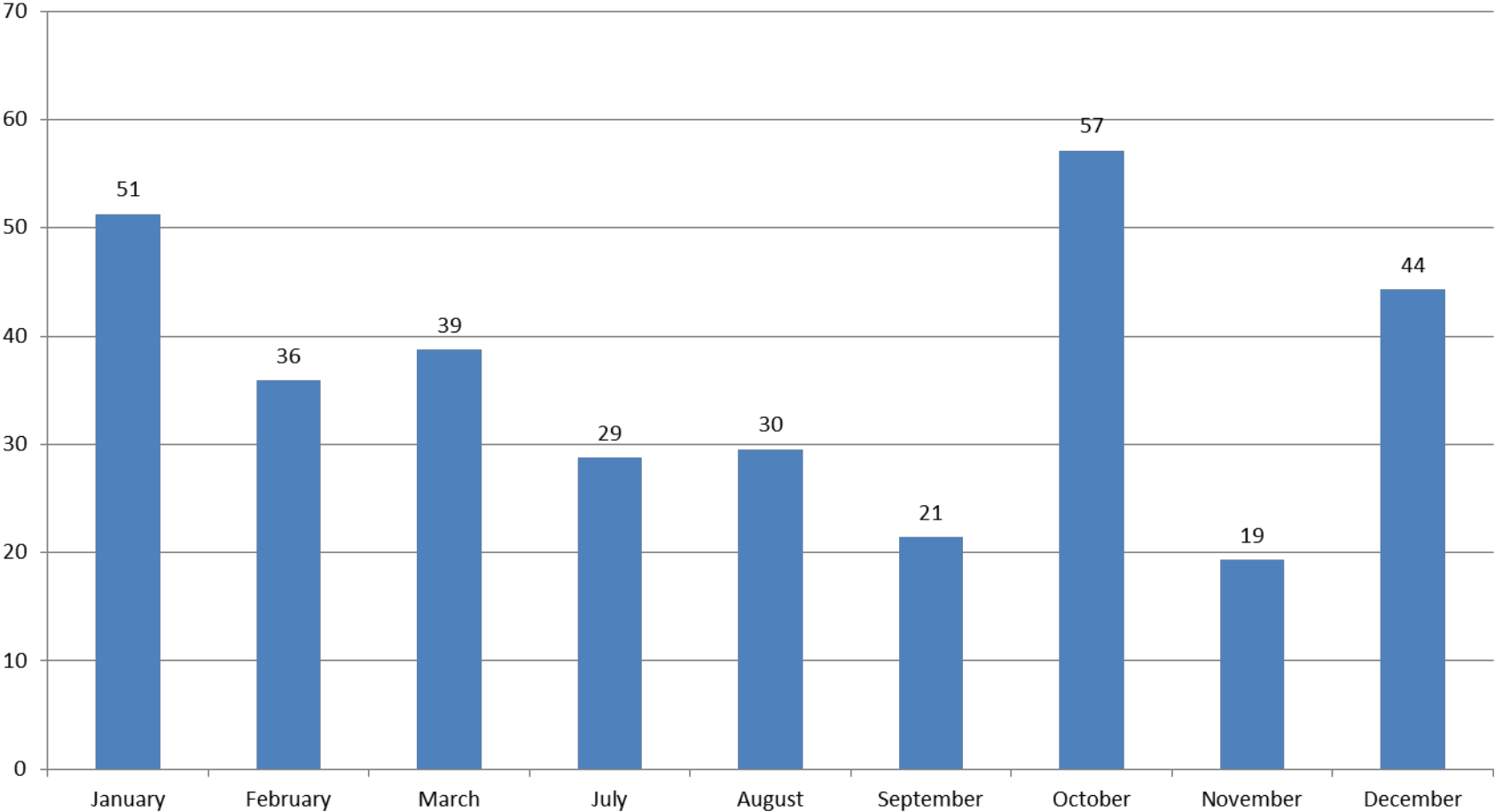
# Service Issue by Hours



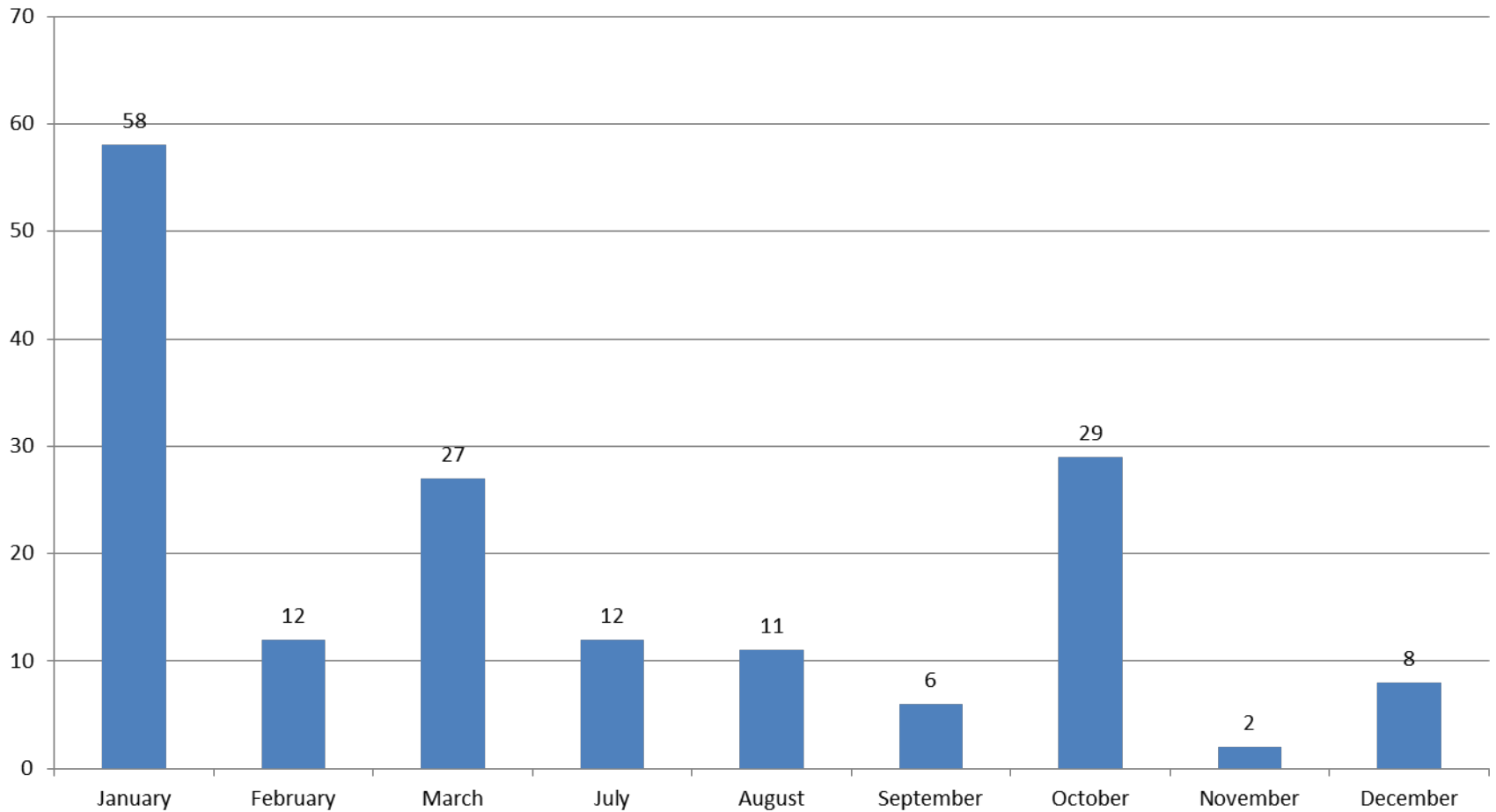
# Benefits by Hours



# Monthly Hours



# Non-Enrollment Number of Service Lines





	2016	2017		2017	
	Florida Blue Current	Florida Blue 2017 Offer		United Healthcare - Immature Fees	
Average PEPM, Year 1	\$35.20	\$33.64	-\$1.56	\$24.42	-\$10.77
Year 1 - Annual ASO Fees	<b>\$6,981,709.32</b>	\$6,672,751.32	-\$308,958.00	\$4,844,976.00	-\$2,136,733.32
Year 2 - Annual ASO Fees	N/A	\$6,672,751.32		\$4,920,571.26	
Year 3 - Annual ASO Fees	N/A	\$6,672,751.32		\$4,920,571.26	
Total over 3 years	---	<b>\$20,018,253.96</b>		<b>\$14,686,118.52</b>	
Rate Guarantee		Flat 3 years		Flat 3 years	
Wellness/Communication Fund					
Year 1	\$140,000.00	Wellness Fund	\$365,000.00	Transition Credit	\$1,000,000.00
Year 2		Wellness Fund	\$365,000.00	Comm/Wellness	\$200,000.00
Year 3		Wellness Fund	\$365,000.00	Comm/Wellness	\$200,000.00
Total over 3 years			\$1,095,000.00		\$1,400,000.00
Total Yrs ASO less Incentives	<b>\$6,841,709.32</b>		<b>\$18,923,253.96</b>		
	Health Fit Annual Cost				
	\$1,212,053.00	Optional Service per year:	\$952,185.60	Optional Service per year:	\$0.00
Year 1 Spend with add'l services	\$8,053,762.32	1st yr spend w/noted clinical services:	\$7,624,936.92	1st yr spend w/noted clinical services:	\$4,844,976.00
Compared to Base ASO Fees		Compared to Base ASO Fees	<b>\$643,227.60</b>	Compared to Base ASO Fees	-\$2,136,733.32
Compared to ASO Fee + Wellness		Compare to ASO + Health Fit	-\$428,825.40		
Fee for processing Run Off Claims	2.5 x Monthly base ASO fee  \$1,223,294.00	2.5 x Monthly base ASO fee  Waived 12 months included Assumes no cancellation prior to end of 2018		6 months of run out admin is included in fee Add'l 6 months for \$0.29 PEPM or a +1% adjustment to the ASO fee. @ 0.29 PEPM for 6 months: +\$28,764	
Average GEO Access				98.76%	
Percentage of Savings Fee on non-contracted services, facilities & providers		Shared Savings recovery fees are built into the base admin fee. These would otherwise be 30% of achieved savings.			
Guarantees					
Discount Guarantee				Discount Guarantee: up to 25% of Fees at risk <b>OR</b> Trend Guarantee: 20% of fees at risk guaranteeing a target of 3% trend.	
Trend Guarantee					
Service Performance Guarantee		13% of Fees at risk for service		19% of Fees at risk for Service	
Implementation Guarantee		N/A		6% of fees at risk for implementation metrics	
Other					



	2017		2017		2017	
	United Healthcare - Mature Fees		Aetna - Immature Fees		Aetna - Mature Fees	
Average PEPM, Year 1	\$24.80	-\$10.39	\$30.18	-\$5.01	\$30.74	-\$4.45
Year 1 - Annual ASO Fees	\$4,920,571.26	-\$2,061,138.06	\$5,987,766.60	-\$993,942.72	\$6,098,813.16	-\$882,896.16
Year 2 - Annual ASO Fees	\$4,920,571.26		\$5,987,766.60		\$6,098,813.16	
Year 3 - Annual ASO Fees	\$4,920,571.26		\$6,167,399.60		\$6,098,813.16	
Total over 3 years	<b>\$14,761,713.78</b>		<b>\$18,142,932.80</b>		<b>\$18,296,439.48</b>	
Rate Guarantee	Flat 3 years		2 year flat + 3% cap in each of years 3, 4 & 5		3 year flat + 3% cap in each of years 4 & 5	
Wellness/Communication Fund						
Year 1	Transition Credit	\$1,000,000.00	Implementation	\$400,000.00	Implementation	\$400,000.00
Year 2	Comm/Wellness	\$200,000.00	Communication	\$250,000.00	Communication	\$250,000.00
Year 3	Comm/Wellness	\$200,000.00	Communication	\$250,000.00	Communication	\$250,000.00
Total over 3 years		\$1,400,000.00		\$900,000.00	Annual communication funds run through year 5	\$900,000.00
Total Yrs ASO less Incentives		<b>\$13,361,713.78</b>	Annual communication funds run through year 5			<b>\$17,396,439.48</b>
	Optional Service per year:	\$805,390.32	Optional Service per year:	\$333,313.80	Optional Service per year:	\$333,313.80
Year 1 Spend with add'l services	1st yr spend w/noted clinical services:	\$5,725,961.58	1st yr spend w/noted clinical services:	\$6,321,080.40	1st yr spend w/noted clinical services:	\$6,432,126.96
Compared to Base ASO Fees	Compared to Base ASO Fees	-\$1,255,747.74	Compared to Base ASO Fees	-\$660,628.92	Compared to Base ASO Fees	-\$549,582.36
Compared to ASO Fee + Wellness	Compare to ASO + Health Fit	-\$2,327,800.74			Compare to ASO + Health Fit	-\$1,621,635.36
Fee for processing Run Off Claims	6 months of run out admin is included in fee Add'l 6 months for \$0.29 PEPM or a +1% adjustment to the ASO fee. @ 0.29 PEPM for 6 months: +\$28,764				Includes Run-out	
Average GEO Access	98.76%		98.84%		98.84%	
Percentage of Savings Fee on non-contracted services, facilities & providers	The monthly charge to ABC will be 35% of the savings achieved				Aetna will retain 40% of savings from the Contracted Rates National Advantage Program.	
Guarantees						
Discount Guarantee	Discount Guarantee: up to 25% of Fees at risk		Discount Guarantee: 20% of fees at risk		Discount Guarantee: 20% of fees at risk	
Trend Guarantee	OR Trend Guarantee: 20% of fees at risk guaranteeing a target of 3% trend.		Trend Guarantee: N/A		Trend Guarantee: N/A	
Service Performance Guarantee	19% of Fees at risk for Service		Up to 18% of fees at risk for Service		Up to 18% of fees at risk for Service	
Implementation Guarantee	6% of fees at risk for implementation metrics		Up to 3% of fees at risk for implementation metrics		Up to 3% of fees at risk for implementation metrics	
Other	Transition credit for Dental Sold w/Medical: \$50,000		Dental Sold w/Medical: Credit of \$0.25 PEPM Life/Di Sold w/Medical: Credit of \$0.25 PEPM Potential credit of \$0.50 PEPM A potential total credit of @ \$99,186/Yr		Dental Sold w/Medical: Credit of \$0.25 PEPM Life/Di Sold w/Medical: Credit of \$0.25 PEPM Potential credit of \$0.50 PEPM A potential total credit of @ \$99,186/Yr	



2017		
Cigna - Mature Fees		
Average PEPM, Year 1	\$27.84	-\$7.36
Year 1 - Annual ASO Fees	\$5,522,397.12	-\$1,459,312.20
Year 2 - Annual ASO Fees	\$5,522,397.12	
Year 3 - Annual ASO Fees	\$5,522,397.12	
Total over 3 years	<b>\$16,567,191.36</b>	
Rate Guarantee	Flat 3 years	
Wellness/Communication Fund	Admin & Fund Purch Only (Core Offering)	Purchase Clinical Services (Premium Solutions)
Year 1	\$300,000.00	\$500,000.00
Year 2	\$300,000.00	\$500,000.00
Year 3	\$300,000.00	\$500,000.00
Total over 3 years	\$900,000.00	\$1,500,000.00
Total Yrs ASO less Incentives	<b>\$15,667,191.36</b>	<b>\$15,067,191.36</b>
	Optional Service per year:	\$892,674.00
Year 1 Spend with add'l services	1st yr spend w/noted clinical services:	\$6,415,071.12
Compared to Base ASO Fees	Compared to Base ASO Fees	-\$566,638.20
Compared to ASO Fee + Wellness	Compare to ASO + Health Fit	-\$1,638,691.20
Fee for processing Run Off Claims	No Charge for processing Run out Claims	
Average GEO Access	98.92%	
Percentage of Savings Fee on non-contracted services, facilities & providers	The fee for the Network Savings Program is equal to 29% of net savings	
Guarantees		
Discount Guarantee	Option of a discount guarantee with the core offering OR the trend guarantee (2.3%) with the premium solutions, both inclusive of up to \$10 PEPM Payout OR Total Cost Guarantee with \$2,000,00 at risk and guaranteeing ABC a total medical cost of \$669 PEPM	
Trend Guarantee		
Service Performance Guarantee	Up to 25% of Fees at risk for Service	
Implementation Guarantee	Up to 10% of fees at risk for implementation metrics	
Other		



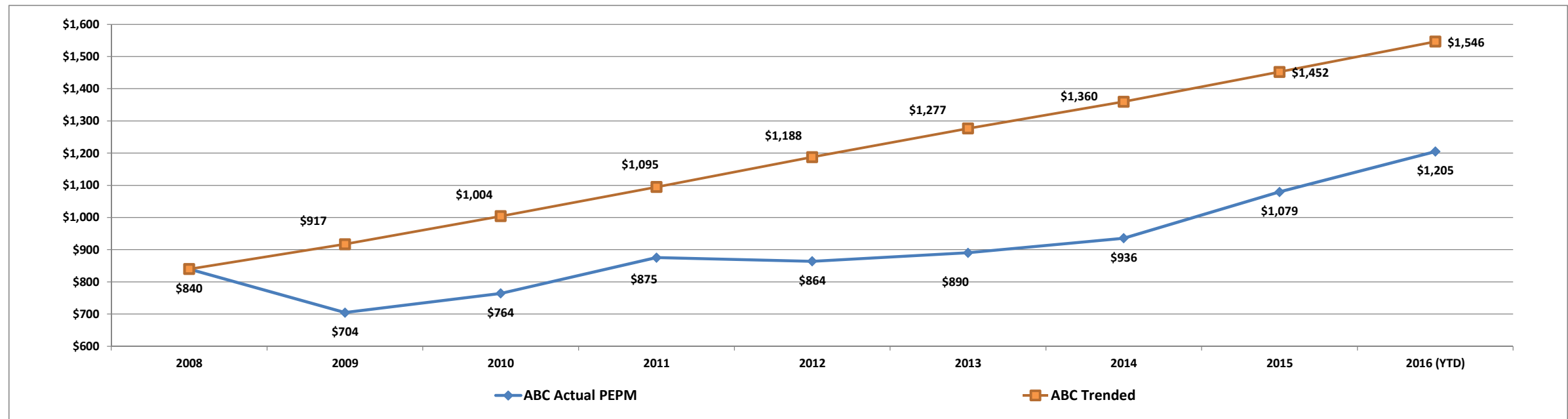


### Medical Trend History - PEPM

PEPM	2008	2009	2010	2011	2012	2013	2014	2015	2016 (YTD)
Total Actual Average Medical Costs PEPM	\$839.79	\$704.42	\$764.16	\$875.38	\$864.05	\$890.31	\$935.69	\$1,079.42	\$1,204.97
Trended Costs*	\$839.79	\$917.05	\$1,004.17	\$1,094.55	\$1,187.58	\$1,276.65	\$1,359.63	\$1,452.09	\$1,546.48
PEPM Difference (Trend - ABC)	N/A	\$212.63	\$240.01	\$219.17	\$323.53	\$386.35	\$423.95	\$372.67	\$341.50
PEPM % Difference	N/A	30%	31%	25%	37%	43%	45%	35%	28%
ABC Actual Change Year over Year	N/A	-16.1%	8.5%	14.6%	-1.3%	3.0%	5.1%	15.4%	11.6%
Trend Increases*	N/A	9.2%	9.5%	9.0%	8.5%	7.5%	6.5%	6.8%	6.5%
Loss Ratio	92%	73%	78%	86%	82%	81%	81%	91%	97%
Average Monthly Covered Employees	1,651	1,591	1,547	1,528	1,512	1,506	1,521	1,529	1,535
Year over Year Change	N/A	-3.6%	-2.8%	-1.2%	-1.1%	-0.4%	1.0%	0.5%	0.4%
Annual Savings vs. Trend	N/A	\$4,059,472	\$4,454,776	\$4,019,715	\$5,868,815	\$6,981,275	\$7,736,176	\$6,835,561	\$6,289,109
Cumulative Savings vs. Trend	N/A	\$4,059,472	\$8,514,248	\$12,533,963	\$18,402,779	\$25,384,054	\$33,120,229	\$39,955,791	\$46,244,900

\*PricewaterhouseCoopers benchmarked annual healthcare trend.

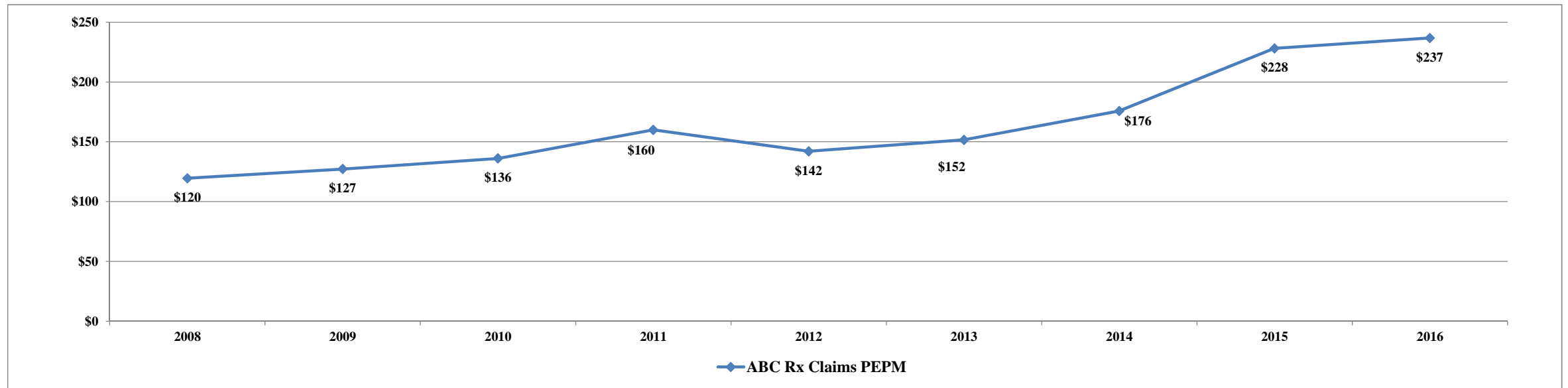
Note: 2016 data is YTD of December 31, 2016.



## Rx Trend History - PEPM

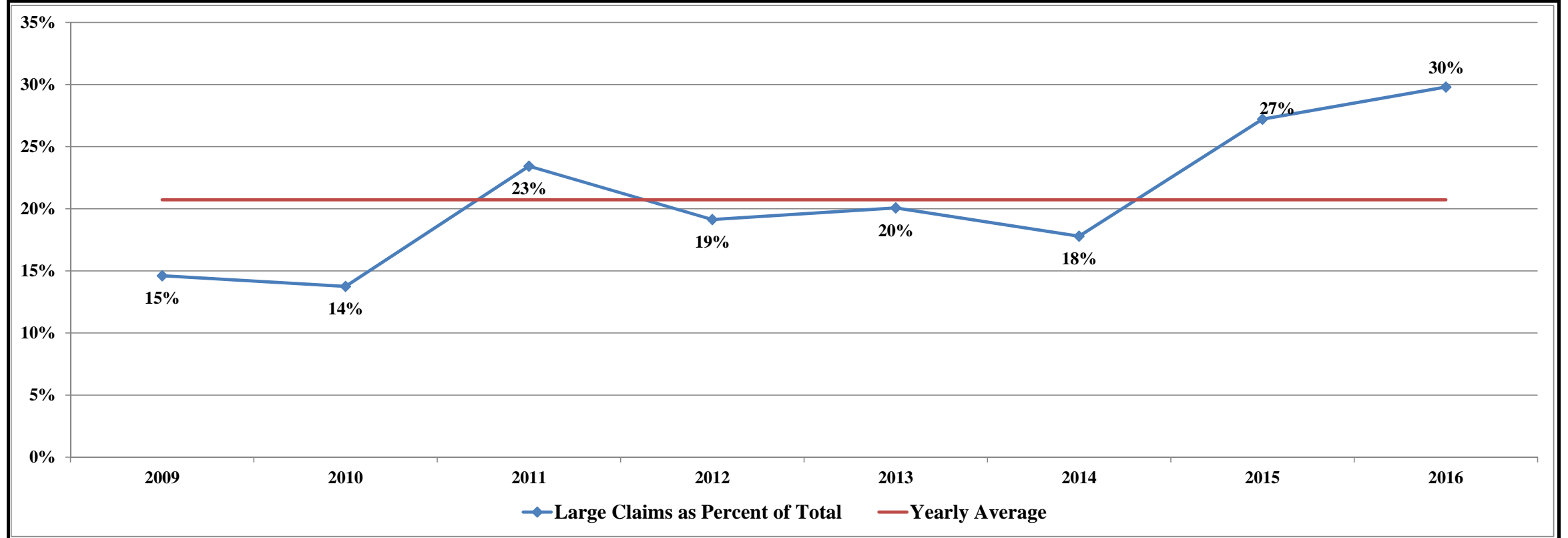
PEPM	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Actual Average Rx Costs PEPM	\$119.52	\$127.27	\$136.15	\$160.06	\$142.09	\$151.63	\$175.84	\$228.20	\$236.79
Annual Rx Spend (2016 YTD)	\$2,367,283	\$2,429,772	\$2,527,109	\$2,935,703	\$2,577,489	\$2,740,035	\$3,208,810	\$4,185,564	\$4,360,788
<b>ABC Actual Change Year over Year</b>	<b>N/A</b>	<b>6.5%</b>	<b>7.0%</b>	<b>17.6%</b>	<b>-11.2%</b>	<b>6.7%</b>	<b>16.0%</b>	<b>29.8%</b>	<b>3.8%</b>
Average Monthly Covered Employees	1,651	1,591	1,547	1,528	1,512	1,506	1,521	1,529	1,535
<b>Year over Year Change</b>	<b>N/A</b>	<b>-3.6%</b>	<b>-2.8%</b>	<b>-1.2%</b>	<b>-1.1%</b>	<b>-0.4%</b>	<b>1.0%</b>	<b>0.5%</b>	<b>0.4%</b>
Loss Ratio	92%	73%	78%	86%	82%	81%	81%	91%	97%
Percent of Paid Claims due to Rx	15.9%	20.3%	19.9%	20.3%	18.7%	19.3%	21.3%	23.4%	21.5%

Note: 2016 data is YTD of December 31, 2016.



### Large Claims Trend (Large Claims > \$81,250)

	2009	2010	2011	2012	2013	2014	2015	2016	Average (2009-2016)
<b>Total Claims</b>	\$11,950,820	\$12,667,336	\$14,476,304	\$13,815,885	\$14,223,371	\$15,089,968	\$17,851,486	\$20,269,655	\$15,043,103
<b>Large Claims</b>	\$1,745,516	\$1,741,300	\$3,391,696	\$2,643,382	\$2,853,920	\$2,684,626	\$4,858,155	\$6,039,673	\$3,244,784
<b># of Large Claims</b>	15	12	22	15	16	19	27	37	20
<b>Avg Large Claim</b>	\$116,368	\$145,108	\$154,168	\$176,225	\$178,370	\$141,296	\$179,932	\$163,234	\$156,838
<b>% of Total</b>	15%	14%	23%	19%	20%	18%	27%	30%	21%
<b>Loss Ratio</b>	73%	78%	86%	82%	81%	81%	91%	97%	84%



**ABC Monthly Cost and Loss Ratio Progression**

YTD Cost	January	February	March	April	May	June	July	August	September	October	November	December
2013	\$1,163,222	\$2,341,040	\$3,859,581	\$5,075,875	\$6,383,566	\$7,449,623	\$8,977,444	\$10,727,430	\$11,962,371	\$12,908,402	\$14,333,664	\$16,079,207
2014	\$1,335,677	\$2,526,961	\$3,620,615	\$5,007,936	\$6,725,090	\$8,065,208	\$9,574,234	\$11,397,261	\$12,625,401	\$14,227,341	\$15,333,499	\$17,071,666
2015	\$1,248,534	\$2,649,989	\$4,473,182	\$6,297,185	\$7,961,109	\$10,180,930	\$11,917,791	\$13,547,508	\$14,752,264	\$16,183,540	\$18,039,370	\$19,784,142
2016	\$1,517,491	\$3,345,428	\$5,051,624	\$6,741,712	\$8,585,010	\$10,463,991	\$12,823,313	\$14,552,999	\$16,458,367	\$18,077,480	\$19,427,469	\$22,158,202

Cost % Change (YoY)	January	February	March	April	May	June	July	August	September	October	November	December
2014	14.8%	7.9%	-6.2%	-1.3%	5.4%	8.3%	6.6%	6.2%	5.5%	10.2%	7.0%	6.2%
2015	-6.5%	4.9%	23.5%	25.7%	18.4%	26.2%	24.5%	18.9%	16.8%	13.7%	17.6%	15.9%
2016	21.5%	26.2%	12.9%	7.1%	7.8%	2.8%	7.6%	7.4%	11.6%	11.7%	7.7%	12.0%

YTD Funding	January	February	March	April	May	June	July	August	September	October	November	December
2013	\$1,632,063	\$3,262,092	\$4,890,550	\$6,518,473	\$8,149,006	\$9,758,069	\$11,419,581	\$13,093,097	\$14,801,306	\$16,510,861	\$18,228,057	\$19,946,177
2014	\$1,724,943	\$3,450,134	\$5,172,762	\$6,895,689	\$8,617,460	\$10,342,732	\$12,073,723	\$13,865,476	\$15,656,846	\$17,456,214	\$19,261,182	\$21,073,540
2015	\$1,804,942	\$3,612,925	\$5,419,834	\$7,227,509	\$9,032,301	\$10,828,306	\$12,575,545	\$14,384,724	\$16,219,587	\$18,056,675	\$19,904,131	\$21,748,398
2016	\$1,878,638	\$3,753,820	\$5,627,223	\$7,499,791	\$9,369,644	\$11,218,806	\$13,088,542	\$15,024,217	\$16,961,888	\$18,894,878	\$20,835,849	\$22,777,699

Funding % Change (YoY)	January	February	March	April	May	June	July	August	September	October	November	December
2014	5.7%	5.8%	5.8%	5.8%	5.7%	6.0%	5.7%	5.9%	5.8%	5.7%	5.7%	5.7%
2015	4.6%	4.7%	4.8%	4.8%	4.8%	4.7%	4.2%	3.7%	3.6%	3.4%	3.3%	3.2%
2016	4.1%	3.9%	3.8%	3.8%	3.7%	3.6%	4.1%	4.4%	4.6%	4.6%	4.7%	4.7%

YTD Loss Ratio	January	February	March	April	May	June	July	August	September	October	November	December
2013	71.3%	71.8%	78.9%	77.9%	78.3%	76.3%	78.6%	81.9%	80.8%	78.2%	78.6%	80.6%
2014	77.4%	73.2%	70.0%	72.6%	78.0%	78.0%	79.3%	82.2%	80.6%	81.5%	79.6%	81.0%
2015	69.2%	73.3%	82.5%	87.1%	88.1%	94.0%	94.8%	94.2%	91.0%	89.6%	90.6%	91.0%
2016	80.8%	89.1%	89.8%	89.9%	91.6%	93.3%	98.0%	96.9%	97.0%	95.7%	93.2%	97.3%

Monthly Enrollment	January	February	March	April	May	June	July	August	September	October	November	December
2013	1,513	1,512	1,509	1,508	1,510	1,488	1,471	1,483	1,515	1,516	1,523	1,522
2014	1,519	1,520	1,517	1,516	1,514	1,517	1,470	1,529	1,528	1,536	1,542	1,540
2015	1,527	1,529	1,527	1,528	1,525	1,516	1,468	1,523	1,545	1,546	1,555	1,553
2016	1,553	1,550	1,548	1,548	1,547	1,524	1,474	1,533	1,535	1,532	1,537	1,535

Enrollment % Change (YoY)	January	February	March	April	May	June	July	August	September	October	November	December
2014	0.4%	0.5%	0.5%	0.5%	0.3%	1.9%	-0.1%	3.1%	0.9%	1.3%	1.2%	1.2%
2015	0.5%	0.6%	0.7%	0.8%	0.7%	-0.1%	-0.1%	-0.4%	1.1%	0.7%	0.8%	0.8%
2016	1.7%	1.4%	1.4%	1.3%	1.4%	0.5%	0.4%	0.7%	-0.6%	-0.9%	-1.2%	-1.2%



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/17/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> <b>CBIZ Insurance Services, Inc.</b> <b>700 West 47th Street, Suite 1100</b> <b>Kansas City, MO 64112</b> <b>816 945-5500</b>	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): -      FAX (A/C, No):	
	<b>E-MAIL ADDRESS: kpeed@cbiz.com</b>	
<b>INSURED</b> <b>CBIZ, Inc. and Subsidiaries</b> <b>6050 Oak Tree Blvd., South, Suite 500</b> <b>Cleveland, OH 44131</b>	<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC #</b>	
	<b>INSURER A : National Fire &amp; Marine Insuranc</b> <b>20079</b>	
	<b>INSURER B :</b>	
	<b>INSURER C :</b>	
	<b>INSURER D :</b>	
	<b>INSURER E :</b>	
<b>INSURER F :</b>		

**COVERAGES      CERTIFICATE NUMBER:      REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Prof Liab - E&O			42EPP30261102	06/01/2017	06/01/2018	\$20,000,000 Aggregate
A	IA Broker Dealer			42EPP30261102	06/01/2017	06/01/2018	\$7,500,000 Sublimit
A	Invest Banking			42EPP30261102	06/01/2017	06/01/2018	\$1,000,000 Sublimit

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b>  <b>Bradley Arant Boulton Cummings, LLP</b> <b>One Federal Place</b> <b>1819 5th Ave. North</b> <b>Birmingham, AL 35203</b>	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE <b>CBIZ Insurance Services, Inc.</b>
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