Capabilities Presentation for

ROCKWOOD SCHOOL DISTRICT

CBIZ

Presented by:

Karen Grasso
St. Louis Market Leader
CBIZ Benefits & Insurance Services, Inc.
St. Louis, MO 63141
314-692-2249

Ms. Lori Roach
Coordinator of Benefits
Rockwood School District
111 East North Street
Eureka, Missouri 63025

Dear Lori:

Thank you for considering CBIZ to provide benefit consulting services for Rockwood School District. CBIZ is ideally suited to devise a solution for the District's Employee Benefits Administration.

When you engage CBIZ, you can count on:

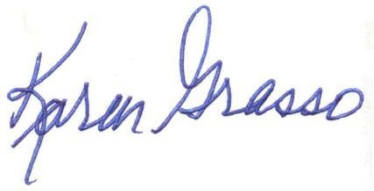
- A collaborative and strategic relationship who understands client service;
- a local team of very experienced benefit professionals;
- an innovative and creative benefits strategy and action plan; and
- a solid combination of robust services and reasonable fees.

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 long term. We will ask questions, learn your business, and earn your trust. We will set expectations and develop a multi-year strategy.

When you fully engage CBIZ, our experts become an extension of your HR staff, working with you to achieve your objectives. We will research your issues, negotiate on your behalf, and manage the details of your plans. Please contact the client references found later in this proposal to see how CBIZ has made a difference in their business.

Thank you again for considering CBIZ to serve you.

Sincerely,



Karen Grasso
St. Louis Market Leader

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EXECUTIVE SUMMARY

We appreciate the opportunity to offer Rockwood School District a proposal for professional employee benefits consulting services. We are excited about the prospect of serving Rockwood School District. Based upon our vast experience with other school districts and public entities, and in response to this formal RFP, we believe we have an understanding of budgetary constraints, the importance of the benefit offering, and a special communication with the board of education and insurance committees. **We fully understand the specific commonalities of school districts, and would look forward to discovering the uniqueness of Rockwood School District.**

CBIZ is uniquely positioned to handle the District's needs contained in this RFP. Our firm should be chosen as the consulting firm for the following reasons, but not limited to:

- CBIZ has established internal policies and procedures to ensure that our clients receive a pro-active strategy to their benefits program. These strategies are reviewed regularly by relationship managers along with the necessary committee and board meetings with District decision makers.
- **CBIZ is recognized as the "Number 1 Employee Benefits Specialist in the Country" by Business Insurance magazine for 9 years.** We leverage regional and national relationships with the insurance carriers to successfully negotiate renewal rates and contract provisions for our clients. This is demonstrated through regular meetings with local management and underwriting divisions.
- **CBIZ employs a staff of ERISA attorneys that provide regular compliance support to our staff and clients.** That support includes an annual compliance review, "For Your Benefit" guidance book, "At Issue" reports, "Health Reform Bulletins" and monthly "Benefits Beat" newsletters.
- CBIZ's commitment to exceptional customer service is a significant part of our culture, as you will see in our Corporate Service Promise. Our commitment comes from the top of the organization.
- CBIZ is committed to customizing analytical reports that fit the strategy Rockwood School District lays out including claims reporting, industry specific benchmarking, and other financial and cost sharing analysis.
- CBIZ is proud of our in-house expertise for prescription drug/PBM analysis, actuarial services, and cutting edge wellness solutions (including wellness clinic expertise) to serve our partners.

In each of these areas, we are committed to providing the highest level of service. Service truly comes down to the people we employ and who are part of your team.

Our greatest strength and your greatest resource is our professional staff. It is their passion, talent, and commitment to excellence we recruit for and continue to foster in our culture and training programs. **Our people are one of the things which set us apart from our competitors; their commitment is long-term and focused on public entities in Missouri and Illinois.** Moreover, Rockwood School District's designated service team will go beyond what is a typical insurance consulting service; they will be proactive with strategy recommendations and provide immediate and ongoing support.

Finally, CBIZ has a unique business model that has helped us continue to assist more than 800 public entities continue to prosper in an uncertain economy. No other employee benefit firm has this service model or the experience in the public sector. We have the ability to offer full outsourcing in technology, and employee management. While the District may not be interested in these services

today, we have the unique advantage of integrating many of them should the need arise in the future.

Based on the released RFP from the District and our vast experience with public school districts we believe the following outlines some key areas of focus. These would include, but not be limited to, the following:

- Provide advice on plan design alternatives to address changes in employee demographics, legal requirements, benefit trends, inflation, utilization, financial considerations, and other competitive forces;
- Introduce new ideas and cost management approaches to improve the delivery of services and the financial success of the plan;
- Provide cost and financial analysis monthly, quarter, and annually;
- Assist with preparation of bid specifications, bid solicitations, and vendor selection on an annual basis;
- Negotiate contract renewals; provide a summary on the specifics of annual negotiations with current insurance companies and other benefit providers;
- Assist with transition of new carriers and/or administrators as may be required;
- Assist in reviewing all instruments and documents including contracts, booklets, and summary plan descriptions for technical accuracy and compliance will all laws and regulations;
- Assist in communications with carriers and claims administrators associated with problem areas, service concerns, changes in coverage, and claims adjudication;
- Assist in monitoring service providers to ensure compliance with contract terms;
- Assist claimants throughout the plan year as claim discrepancies occur;
- Assist in resolution of insurance and administrative issues with insurance carriers, third party administrators and other fringe benefit providers;
- Assist with open enrollment meetings; health fairs and other employee events;
- Meet with district staff on an as needed or as requested basis. In addition be available to meet with the Board of Education when attendance is requested to answer benefit questions and to present new/revised benefit alternatives for future consideration. We understand we may also be called upon to provide advice, guidance or training to District staff.

CBIZ is confident that we can effectively and efficiently manage all services listed above and ultimately lead the District to its desired results. In order to do so, we propose the following plan of action:

- Creation of a multi-year benefits strategy and timeline
- Full review of all plan contracts and experience
- Implement a customized Employee Communication and Education program
- Ongoing analysis of utilization of all plans with recommendations

The following proposal will demonstrate our capabilities and expertise in all areas required above and will additionally provide a more in-depth scope of services.

PROPOSAL SUBMISSION REQUIREMENTS

C. Proposers must include at least the following information, data and responses labeled accordingly in their proposals (i.e. C1, D, E. etc.):

(1) **Proposer's full name and principal office address, and descriptions of the type of business entity (e.g., publicly held corporation, private non-profit, proprietorship, partnership, etc.).**
CBIZ Benefits & Insurance Services, Inc.
700 West 47th Street, Suite 1100
Kansas City, MO 64112
Corporation

(2) **If Proposer is incorporated, include the State, in which it is incorporated, and list the name and occupation of those individuals servicing on the board of directors, along with the name of any entity or person owning 10% or more of the corporation.**
Incorporated in the state of Missouri
Board of Directors: Matthew Morelli, Executive Vice President
100% owned by CBIZ Operations, Inc.

(3) **The name, title, mailing address, telephone number, fax number and, and email address of the contact person for this RFP and the proposal.**
Karen Grasso
St. Louis Market Leader
625 Maryville Centre Dr., Suite 200
St. Louis, MO 63141
Ph: 314.692.5850
Fax: 314.692.4222
kgrasso@cbiz.com

(4) **A summary description or work plan which describes how Proposer intends to perform the required services and include a description of any involvement and responsibilities which would be required of the District.**
Based on our planning sessions, we will create an action plan that clearly defines:

- your goals and objectives;
- a brief description of current benefit plans and possible actions to align benefits with the goals and objectives;
- proposed services including potential renewals and marketing, health and productivity initiatives, communications, compliance activities, etc., and
- 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.

The District will be involved in the quarterly meetings we will conduct to review the performance, strategy, and goals of the benefits plan. We will want input and support from the Insurance Committee and Board of Education. There may be census data, and other clarification of the program required by Rockwood School District as needed. CBIZ

views a successful benefits program as a *partnership* between the District, CBIZ, and the different vendors with whom we do business.

(5) **The name(s) of the employees, persons or contractor(s) proposed to perform the services, and describe the qualifications and experience of each.**
See pages 24 - 33 of Proposal.

(6) **Description of the manner by which Proposer proposes to be compensated for the services to be provided, including a listing or schedule of fees, commissions, costs and expenses, including reimbursable costs and Proposer's total annual cost for the services to be provided.**
See page 15 of Proposal.

D. **Proposers must provide a description or evidence of their experience and qualifications to undertake and to provide the services described in this RFP with a particular emphasis upon experience and services provided to Missouri K-12 school districts.**
CBIZ has a unique business model that has helped us assist more than 800 public entities to prosper in an uncertain economy. No other employee benefit firm has this service model or the experience in the public sector. Please see specific local public school district client references on page 23 of Proposal.

E. **Proposers must provide evidence or information as to their financial condition and stability.**
Access to the CBIZ Annual Report may be found on our website at www.cbiz.com under About Us/Investor Relations/Financial Reports. A hard copy will be provided upon request.

F. **Proposers must provide a minimum of five (5) references with names, addresses and phone numbers, including specifically any governmental entities and school districts for which each Proposer has provided services.**
See page 22 of Proposal.

G. **Proposers must state whether they have been involved in any litigation during the last five years, and if so, describe any such litigation.**
From time to time and in the normal course of business, our corporation is involved in claims that involve issues related to our brokerage and consulting activities. At this time there are no claims that would negatively impact CBIZ's or any of its employees' ability to perform its duties and obligations under this appointment.

SPECIFIC SERVICES

Analysis and Fiscal Management – **CBIZ confirms our ability to complete the following….**

- Annually provide comparative benchmark data in our industry and geographical area with regards to benefit and welfare plans including but not limited to premiums, out of pocket costs, value of plans to be used to determine plan competitiveness and strategies.
- At least annually perform statistical analysis and claim reserve studies on the claims and utilization of the benefit plans to be used for annual renewals.
- Provide quarterly financial forecast reports for the current plan year.
- Annually, make recommendations for appropriate premium rate structures based on analysis of plans.
- Provide analysis including premium and claims costs specific to each plan. (i.e., employee, employee/spouse, employee/1 child, employee/2 children, etc.)
- Conduct an annual and semi-annual plan reviews to determine success, areas of focus, as well as reduction of liability.
- Annually, review current carrier plans and performance, and provide report on findings.

Communications and Service – **CBIZ confirms our ability to complete the following….**

- Attend meetings called by the District for such purposes of discussion, review, and evaluation of the District's benefit plans.
- Attend Board of Education meetings as needed for a resource for benefit related agenda items.
- Participate in an advisory capacity to the District Insurance Committee.
- Agree to primary communications with District administration and to not participate in ex parte communications with other parties.
- Proactively schedule meetings with client to discuss issues, concerns, and recommendations as needed.
- Work with and maintain relationships on behalf of the District with all contracted carriers and services providers.
- Assist the district Administration when areas of concern arise with vendors.
- Schedule annual and semi-annual vendor review meetings.

Compliance and Legal- **CBIZ confirms our ability to complete the following….**

- Annually propose recommendations with respect to compliance with all appropriate tax codes, as well as state and federal regulations governing benefit plans.
- Annually review current legal plan documents for benefit plans and advise on recommended changes.
- Proactively educate and help implement changes related to the Affordable Care Act and other legislative updates.
- Annually, review all insurance company policies and third party administrator agreements to evaluate adherence, competitiveness, performance, compliance, etc.
- Consult with the District on all benefit regulatory compliance issues and assist in the preparation of reporting requirements. The successful vendor must be able to provide direction to the District on implementation of all applicable aspects of the Affordable Care Act.
- Consult and assist the District to maintain compliance with regulations such as COBRA, HIPPA, ACA etc.
- Provide legal updates in a timely manner and assist with compliance of current and new regulations.

Strategic Planning – **CBIZ confirms our ability to complete the following….**

- Annually propose recommendations with respect to compliance with all appropriate tax codes, as well as state and federal regulations governing benefit plans.
- Annually review current legal plan documents for benefit plans and advise on recommended changes.
- Proactively provide information on benefit issues, trends, possible new benefits and proposed or new legislation.
- RSD conducts a “public bidding process” for all services; will that be a concern for your firm?
- Conduct renewal negotiations with the carrier(s) utilized and prepare a complete and detailed accounting of all claim costs, provider access fees, administrative expenses, risk charges, investment performances, etc.
- Take the lead in the development of the request for proposal (RFP) for administrator and underwriter selection, analysis of proposals, and recommendations of plan design and funding methods to be employed for all health & welfare plans including medical, prescription drugs, dental, vision, stop loss insurance, life and AD&D insurance, long-term disability, employee assistance program, flexible spending administration, optional life insurance and other benefits that could be adopted by the District in the future. If a separate fee, provide cost per RFP.

Make recommendation regarding the (RFP) vendor selection.

Obtain for the district the vendor contract as a condition to Board of Education approval.

Confirm no separate broker fees are paid to your organization from vendors as a result of RSD RFP process.

Disclose any brokerage fees proposed or received from RSD vendor.

Provide open enrollment support including, but not limited to, developing timeline, assisting with communication materials, attending health fair and participating in open enrollment meetings.

Assist in the development of employee communication tools as needed, including the design and preparation of written material, video messages, on-site employee meetings, etc. If there is a separate fee, please specify.

Provide assistance with wellness strategies and goals.

Other Services

Do you provide health and productivity modeling, forecasting or ROI data?
Yes, there are several tools CBIZ can initiate for RSD that can achieve and monitor the effectiveness of benefits and management of their financial implications related to Wellbeing programs.

- Proprietary Wellbeing ROI Calculator
- Data Analytics – Verisk and NavMD Software
- VOI Scorecard

CBIZ understands that genuine cost control goes much deeper than plan design or provider networks. Ultimately, it's about developing and maintaining healthy employee populations and reducing the health problems that fuel claims and premium increases. CBIZ has a National Wellbeing Account Team that can help RSD devise an effective health and productivity management strategy that combines best-fit benefit design with health promotion, disease prevention, self-care management, and disease management.

**Please see Case Study in Appendices.*

Do you conduct 105h and Section 125 testing on plans? If a separate fee, provide cost per test.
CBIZ can conduct both 105h and Section 125 discrimination testing. We have an in-house Benefits Compliance division. There is a separate fee for both services and additional information would be required to provide those fees.

If no to previous, can you provide recommendations for vendor to complete 105h and Section 125 testing on plans?

Account Team: (Provide a Narrative Response)

Please describe the experience of everyone who would be assigned to the RSD account.
See page 24 - 33 of Proposal

What is the client makeup (# of clients, size of clients, etc.) for each person who would be assigned to the RSD account?
RSD will have a team of 3 (Senior Consultant, Relationship Manager, and Account Manager) dedicated support staff members along with additional technical support as necessary.

CBIZ has developed a service performance matrix to provide optimum service support. We limit the amount of accounts that each service team can service. This matrix is complex, taking into consideration the expertise of the team, years of service in the business, and the scope and services required by the client. The matrix is reviewed intermittently to ensure our service commitment is maintained.

Who would the District contact be for various situations (claims issues, bidding processes, compliance questions, financial evaluations/projections, etc.) and what is your firm's response time expectations are for initial response and question/issue resolution?
See pages 24 and 48 of Proposal.

Additional Information: (Provide a Narrative Response)

Specifically describe what differentiates your Company from its competitors including any value-added services that are not outlined in this RFP but would be included at no additional expense. Include samples of communications, reporting, etc. which may be tailored for RSD.
CBIZ has a unique business model that has helped us assist more than 800 public entities to prosper in an uncertain economy. No other employee benefit firm has this service model or the experience in the public sector. We have the ability to offer full outsourcing in technology, and employee management. While the District may not be interested in these services today, we have the unique advantage of integrating many of them should the need arise in the future. Even if the District does not purchase these other services directly, we certainly rely upon our CBIZ practice expertise to best serve each client in FSA, COBRA, HR outsourcing, Payroll, on-line enrollment technology, and compensation just to name a few.

There are so many samples of communication and reporting that it is impossible to include even a portion of them. CBIZ utilizes the communication technology that best fits the style of the District. This includes videos, Brainshark, voice-over PowerPoint, and written communication, among others. We deliver a detailed Employee Benefits Guide, and update it annually to include all the revised benefits and annual notices an employer is legally required to provide. Our reporting consists of information from the carriers, proprietary CBIZ reports, along with state of the art "Verisk Analytics" claims analysis.

Please describe your philosophy on and process for strategic planning.
Your CBIZ team does not like surprises when it comes to your group benefits program, and we know our clients don't either. As a school district, your budget is limited, so those allocated dollars must be spent in the most efficient manner. Strategic Planning is a year-round process at CBIZ, tracked with an agreed upon timeline. It begins when we are named your consultant, and we provide an initial review of your overall benefits program in writing, including benchmark analysis and recommendations. It continues with monthly medical

claim reports to track how well each plan is running in comparison to budget and reserves. Detailed quarterly and annual claim reviews with the carriers are also part of the strategy, along with identifying all the latest trends, products, and services in the marketplace that may be attractive to the District. The renewal process is streamlined as we have a good idea of the expectations in the upcoming year well in advance. For future planning, CBIZ also provides a 2 or 3 year strategy to better be prepared.

Please address options that may be available for putting your fees at risk?
CBIZ believes in complete transparency. We believe in getting as aggressive as we can with our fees without jeopardizing client service. While we do not generally agree to an at risk contract, we agree to the Districts requested Termination policy allowing for termination with or without cause at any time by giving 30 days' prior written notice.

What types of educational resources are available to your clients?
CBIZ provides a comprehensive "For Your Benefit" Booklet annually that is written and updated by our own staff ERISA attorneys. A compliance checklist is also reviewed annually by your Account Manager to keep the District up-to-date on any and all relevant state and federal regulations. On an ongoing basis, our clients receive newsletters called "At Issue", "Health Reform Bulletin", "Benefit Beat" and "For Your Benefit" depending on topic. These make you aware of any changes, updates, and interpretations of the laws. In addition, we offer HRSolutions, which is an on-line HR support tool with many resources at no cost. Lastly, CBIZ has regular webinars in which many of our clients participate. Past topics include self-funding, compensation, retirement planning and, of course, regulatory compliance.

In addition to the compliance resources, we also have a Well-Being Practice and a Prescription Drug Analysis Practice. The district will receive regular educational pieces pertaining to their areas of expertise. All CBIZ clients receive a Monthly CBIZ Wellbeing Insights Newsletter which can be incorporated into your Wellness program, and also periodic articles and information from our Rx Practice related to trends and changes in the PBM arena.

Please describe the benchmarking tools and resources that would be available to RSD.
CBIZ subscribes to several benchmark resources including Kaiser, Towers, Mercer, Milliman, Segal, and Deloitte. Due to a strong partnership with local districts, we also have a comparison spreadsheet of 25 to 30 local school districts updated annually comparing basic plan design, actuarial value, total rates, District cost, and employee cost. CBIZ also utilizes Verisk as a benchmark source. This data base incorporates information of over 40 million lives and is among the best resource in the country.

How would you ensure that RSD's plans, practices and documents are in compliance with all applicable state and federal guidelines?
As mentioned above, CBIZ has an extreme focus on compliance. An annual Compliance Meeting, along with periodic newsletters, webinars, direct calls, and face-to-face meetings ensure our clients are in compliance. Furthermore, the District will have direct access to Karen McLeese, our ERISA attorney, who will be assigned as a member of your CBIZ team.

Describe your process for calculating medical premiums for self-funded plans. How often do you perform a loss ratio comparison by Plan/by tier?
Medical premiums for self-funded plans are figured using our proprietary Funding Projection Report created by CBIZ certified actuaries. They take into consideration the past 2 years of medical and Rx claims data, large claim activity, latest trend projections, past performance of

the plan, and fund reserves, among other factors. A full "Funding Projection" report will be provided and reviewed.

A loss ratio comparison by plan is performed on a *monthly* basis, and is included in our Monthly Claims Summary. A loss ratio by tier can be shown regularly if a client wishes; however, these ratios can be very easily skewed due to a single claim or time frame. The consistent validity of loss ratios by tier is questionable.

What is your philosophy on the reserve needed by a health plan?
CBIZ actuaries utilize a proprietary IBNR analysis to determine an accurate reserve for its self- funded clients. A detailed Reserve Summary is provided to the client for internal and auditing reasons. This report utilizes lag reports from the carriers, along with trend for both medical and Rx claims. With over 75% of claims now being auto-adjudicated, claims are processed extremely fast these days. Therefore, reserves can be set much lower than in the past, sometimes as low as one times expected monthly cost.

How often do your recommend analyzing and adjusting plan premiums and tiers for plan costs and expenses?
Premiums and tiers for plan costs and expenses should be *analyzed* on a consistent basis, at least discussed in detail quarterly. However*, adjusting* them is usually done on an annual basis at renewal.

How often do you recommend vendor claims audits?
Most carriers have internal independent audit procedures in place, so auditing by an outside firm is a waste of client money. However, if there is no procedure in place, once over 5 to 10 years is recommended. CBIZ has an internal practice that can perform claim audits, along with dependent audits.

What role would you play in the determination and payment of Transitional Reinsurance fees and Patient-Centered Outcomes Research fees?
Unfortunately, CBIZ cannot directly pay Transitional and PCORI fees to the government for our self-funded clients. However, we do provide the analysis of the most cost effective method of determining membership for our clients. We have found our analysis is saving our larger clients tens of thousands of dollars using the "factor" method.

Should the District decide to add a benefit that does not exist currently, such as an employee health clinic, please describe the cost structure of additional benefit proposals/marketing?
There is no other consulting firm in the business with more knowledge and expertise than CBIZ when it comes to health and wellness clinics. We have a division in our Kansas City office dedicated to this specialty, and have implemented more clinics for school districts than anyone. The cost to enlist their assistance is not included in this proposal, and can vary greatly from case to case based on scope of services. However, CBIZ discounts the cost considerably if CBIZ is also your benefits consultant.

The basic steps in the implementation process of a wellness clinic are as follows:

1. Feasibility Study to determine possible savings, structure, hours, services and other details regarding the clinic. A health and wellness clinic is a huge investment for a District, so a comprehensive Feasibility Study is highly recommended! .
2. Request for Proposal and Vendor Selection – CBIZ has relationships with all the major national and local vendors in this space, and will contact the appropriate companies based on scope and objectives.

3. Contract Negotiation and Implementation – Once a vendor is selected, it is very important that implementation is smooth and cost effective. CBIZ ensures that the client is getting exactly what they bought, and are expecting.
4. Oversight & Optimization – Ongoing oversight to make sure medical diagnostic information is being shared and processed by all involved parties.

FEES AND EXPENSES FOR CONSULTING SERVICES

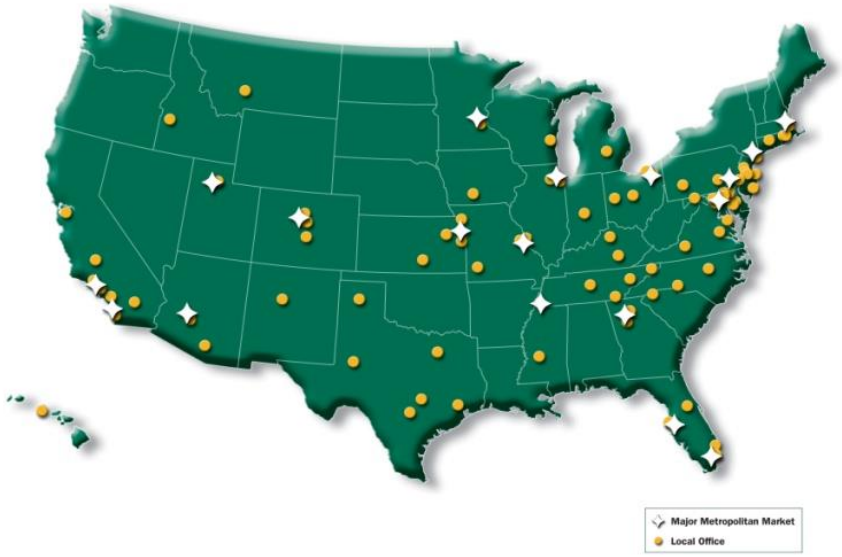
CBIZ has developed a compensation structure in alignment with Rockwood School District's service objectives. CBIZ is flexible in how we receive compensation through monthly or quarterly retainer, monthly commission, or a combination of both. Regardless of the compensation structure it is fully disclosed and reviewed annually.

Proposed Five-Year Annual Consulting Fee	$70,000/annual

Our compensation is meant to be fully transparent and we are flexible in how it is paid. Our focus is to provide the most cost effective program for the district to ensure our value. The above fee will be effective at inception of our agreement and guaranteed for a five-year period of time. CBIZ is open to a discussion regarding how fees can be handled during the transition from your current arrangement.

Additional fees may apply for outsourcing services and those services not listed in this RFP and not included in the core services. Services outside the "Core Services" are noted. Any services outside this scope will be negotiated and mutually agreed upon contractually before services are rendered.

ABOUT CBIZ



CBIZ, Inc. provides professional business services that help clients better manage their finances and employees. CBIZ provides its clients with financial services including accounting, tax, financial advisory, government health care consulting, risk advisory, real estate consulting, and valuation services. **Employee services include employee benefits consulting, property and casualty insurance, retirement plan consulting, payroll, life insurance, HR consulting, and executive recruitment.** As one of the nation's largest brokers of employee benefits and property and casualty insurance, and one of the largest accounting and valuation companies in the United States, the Company's services are provided through nearly 100 Company offices in 32 states, employing over 5,000 individuals. Unique to today's enviornment, at an 18.2% employee turnover rate, and 10 of our offices listed as a "Best Place to Work", CBIZ is a place for employees to stay and grow when a career is started.

At CBIZ, we understand that your business is all about people, and so is ours. Our greatest strength and your greatest resource is our professional staff. You will find our people to have a high level of expertise and creative thinking. We are committed to developing solid and lasting relationships with our clients with the ultimate goal to become your trusted advisor.

Formed through acquisitions of highly successful small companies, CBIZ combines the personal, innovative approach of a small firm with the resources and expertise of an industry leader. CBIZ is in the Top 2 of U.S. Benefits Specialist since 2002 as ranked by Business Insurance Magazine. Acquired in 1999 by CBIZ, our St. Louis office was established in 1983, and employs over 40 Employee Service Associates locally. All employees have a distinct vision for our clients – the ultimate growth and success of your organization.

The success of CBIZ is due to a simple principal of partnering with clients to find cutting edge solutions to their employee benefit needs. Through the basic philosophy and the delivery of outstanding customer service, CBIZ has grown to become the #1 Benefits Specialist nationally.

CBIZ combines the personal, innovative approach of a local firm with the resources and expertise of a national industry leader.

OUR COMPETITIVE ADVANTAGE

When engaging with our clients, we have a consultative process tailored to the needs of each specific client and their challenges that includes the following:

- Strategic Planning and Objective Setting
- Setting Short-Term and Long-Term Objectives
- Defining Goals
- Action Plan and Timeline
- Benefit Plan Audit
- Plan Design, Renewals, Marketing and Rate Negotiation
- Pre-Renewal Planning
- Implementation and Vendor Management
- Enrollment Support
- Plan Management
- Claims Appeals
- Ongoing Employee Service Support
- Voluntary Benefit Engagement
- Customized Employee Communication and Education Plan
- Wellness Program Design, Implementation & Tracking
- Health Care Reform Solutions/Legislative Updates
- Ongoing Educational Seminars/ Webinars & Educational Periodicals

Industry Front-Runner

CBIZ Benefits has consistently been at the forefront of innovation in consultative services since inception. Our model differs due to our ability to be proactive and advise rather than being reactive and administer. **Upon the signing of the Affordable Care Act, we immediately began working to provide value to our clients. In order to assist our clients with the challenges they may face due to the Affordable Care Act regulations, we created a Proprietary Financial Impact Study, provide updates from our in-house council on new Regulations, and have nationally partnered with a vendor to help assist in the new reporting burdens. Nationally, we are considered "Premier" partners with all of the major Insurance Carriers.**

What Matters Most to our Clients

We regularly ask our clients what is most important to them. The most common answers:

- Managing health care costs
- Saving time and money on administrative tasks
- Attracting and retaining great employees
- Keeping employees healthy and productive
- Getting maximum value from vendors through solutions, pricing, and service
- Maintaining regulatory compliance including health care reform

We listen to our clients and are constantly refining our approaches and strategies to meet their changing needs. Tell us what matters most to you, and we will work with you to address it.

Economies of Scale & Efficiency of Delivery

CBIZ prides itself on the ability to deliver high-level employee benefits consulting, along with top-quality outsourcing and administration. Our distinct competitive advantage is that we combine both areas of expertise and practice under one roof – resulting in an improved level of service and, just as importantly, more efficient service. Through our integrated client-centric service model, CBIZ can provide a single point of contact to the District for a diverse range of services as required. All services will be provided by CBIZ, resulting in cost-effective integration of benefits consulting, administration, and related services.

Health & Productivity Expertise

CBIZ understands that genuine cost control goes much deeper than plan design or provider networks. Ultimately, it's about developing and maintaining healthy employee populations and reducing the health problems that fuel claims and premium increases. CBIZ is a recognized leader in health and productivity management solutions. Working collaboratively with strategic partners and health management industry leaders such as WebMD and the University of Michigan Health Management Research Center, CBIZ offers proven solutions for managing the rising cost of health care and lost productivity due to sub-optimal health.

Unparalleled Compliance Resources

One of CBIZ's greatest strengths is our compliance practice. Every CBIZ associate receives ongoing compliance training to ensure that the plans they design and manage are fully compliant with all state and federal mandates. Our associates are supported by CBIZ's in-house legal staff which is one of the best in the business. Their mission is to identify, research, and analyze complex legislative issues so that our clients don't have to. Our legal professionals are knowledgeable about past, current, and pending legislation and how it affects benefit plan sponsors and participants. CBIZ Legal is also adept at communicating complex issues in simple and actionable terms through a variety of client publications including free e-bulletins, newsletters, and handbooks. **As a CBIZ client, you will have full access to our in-house counsel for guidance on compliance issues.**

Health Care Reform Monitoring & Employer Impact Expertise

CBIZ has created its own National Advisory Council to follow the evolution of Health Care Reform and the promulgation of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act as they are codified by the Department of Health and Human Services. **This team is comprised of experts in benefits, payroll, finance, tax, legal, and regulatory issues. They bring their collective expertise and talent to the complex, interdisciplinary requirement of Health Reform. No other consulting firm can match our truly integrated approach to this topic.**

Client Focus

Our first priority is to serve our clients well. We consistently strive to provide superior service and solutions, and to build long-lasting relationships with our clients. Our philosophy is simple: we will work hard to earn your trust and gain your confidence. We promise to:

- Respond to urgent requests immediately and to phone and email messages within 8 hours;
- Always do what we say and finish what we start; and
- Measure your satisfaction through monthly vendor performance calls, quarterly stewardship meetings, periodic surveys, and our web-based Client Service Review survey, which measures individual client satisfaction and benchmarks CBIZ against our competitors.

While our ultimate goal is to have a 100% client retention rate, we know realistically this is not possible. We have been fortunate to sustain between a 92-95% client retention rate over the past 3 years. With the fluctuation in economic factors, the main reasons our clients have left our organization have been due to acquisition from an outside equity firm of their business, going out of business, or a change in leadership causing a new relationship to be present.

CBIZ Commitment

At CBIZ, we are absolutely committed to excellence, innovation, and superior service. We are ready to put our talent and experience to work for you. We promise to be with you for the long-term. We will ask questions, learn your business, and earn your trust. We will set expectations and develop a multi-year strategy regardless of your organization's size or the scope of our engagement.

When you hire CBIZ, our people become an extension of your HR staff, working with you to achieve your objectives. We will research your issues, negotiate on your behalf, and manage the details of your plans.

CBIZ Mission

Our mission 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 relationships.

Our unwavering commitment to our clients is equaled by our commitment to our associates and our focus on improving shareholder value. We will maintain a professional culture that is supportive and motivating, fosters and rewards high performance, and creates meaningful career opportunities.

Pharmacy Benefit Management

Prescription drug benefits are an ever-increasing cost to group health plans and comprise about 15 to 20 percent of health plan expenses. Industry estimates show prescription drug benefits have begun a steady rise in year-over-year expense-to-health plan costs, with predictions of even higher increases in the future. At CBIZ, we understand the need to curb these costs and control health plan expenses, which is why we created the National Pharmacy Consulting Practice. This practice brings

robust clinical and consulting expertise to clients and other CBIZ teams when it comes to navigating the ever-changing landscape surrounding the pharmacy benefit.

As our client, your CBIZ team will consult with you to review past pharmacy experience and provide strategic recommendations specific to the District's needs and culture while also providing guidance around best practices for pharmacy management. The practice offers you a breadth of pharmacy expertise ranging from marketplace perspectives and vendor capabilities to valuable practical and clinical knowledge. Our pharmacy team collaborates with local CBIZ consultants and actuarial teams to provide pharmacy-specific guidance pertaining to health care reform, industry trends and your objectives. The team will also work with current or prospective pharmacy benefit managers (PBMs) to maximize the value of each dollar spent on pharmacy by:

- Achieving the best price through contract renewals and performance guarantees
- Ensuring the safe and appropriate use of medications through clinical recommendations
- Collaborating 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

Our PBM, Michael Zucarelli works closely with Dave Rubadue, CBIZ Actuarial Specialist on:

- Data Analytics
- Wellness ROI
- Network Discount Adjustments to Plan Funding for Self-Funded programs

CBIZ CODE OF ETHICS

The success of CBIZ is directly tied to our reputation for integrity in the marketplace. We earn customer, associate, vendor, and shareholder loyalty and trust because we are honest, dependable, reliable and responsible. We adhere to the highest ethical standards (more than merely required by law or expected by others) because it is the right thing to do and makes good business sense. We take great pride in our reputation for integrity.

Simply stated, we act with integrity by incorporating the values of honesty, fairness, respect, loyalty, and cooperation into all our business decisions and actions.

These values serve as the foundation for the following ethical business principles:

- We treat people with dignity and care.
- We transact business fairly and honestly, promoting the Company's best interests, without regard to our personal interests.
- We safeguard all the Company's property and information and treat others' property and information with the same respect.
- We work to enhance the quality of life in the communities we serve.

REFERENCES

Charles Brazeale
Chief Financial Officer
City of St. Charles School District
400 N. 6th Street
St. Charles, MO 63301
Email: cbrazeale@stcharlessd.org
Ph: 636.443.4000

Chuck Triplett
Chief Financial Officer
Lindbergh School District
4900 S. Lindbergh Blvd.
St. Louis, MO 63126
Email: CTriplett@lindberghschools.ws
Ph: 314.729.2400 Ext. 8641

Paul Fedchak
Director of Business
KIPP St. Louis
1310 Papin Street
St. Louis, MO 63103
Email: pfedchak@kippstl.org
Ph: 314.349.1388

Scott Hafertepe
Chief Financial Officer
University City School District
8136 Groby Rd.
University City, MO 63130
Email: shafertepe@u-city.k12.mo.us
Ph: 314.290.4031

Mary Jo Gruber, CPA, CGMA
Chief Financial Officer
The School District of Clayton
#2 Mark Twain Circle
Clayton, MO 63105
Email: maryjo_gruber@clayton.k12.mo.us
Ph: 314.854.6011

Industry Experience

CBIZ has significant experience in the public sector arena. Nationally, CBIZ provides services to over 800 public sector clients including municipalities and school districts.

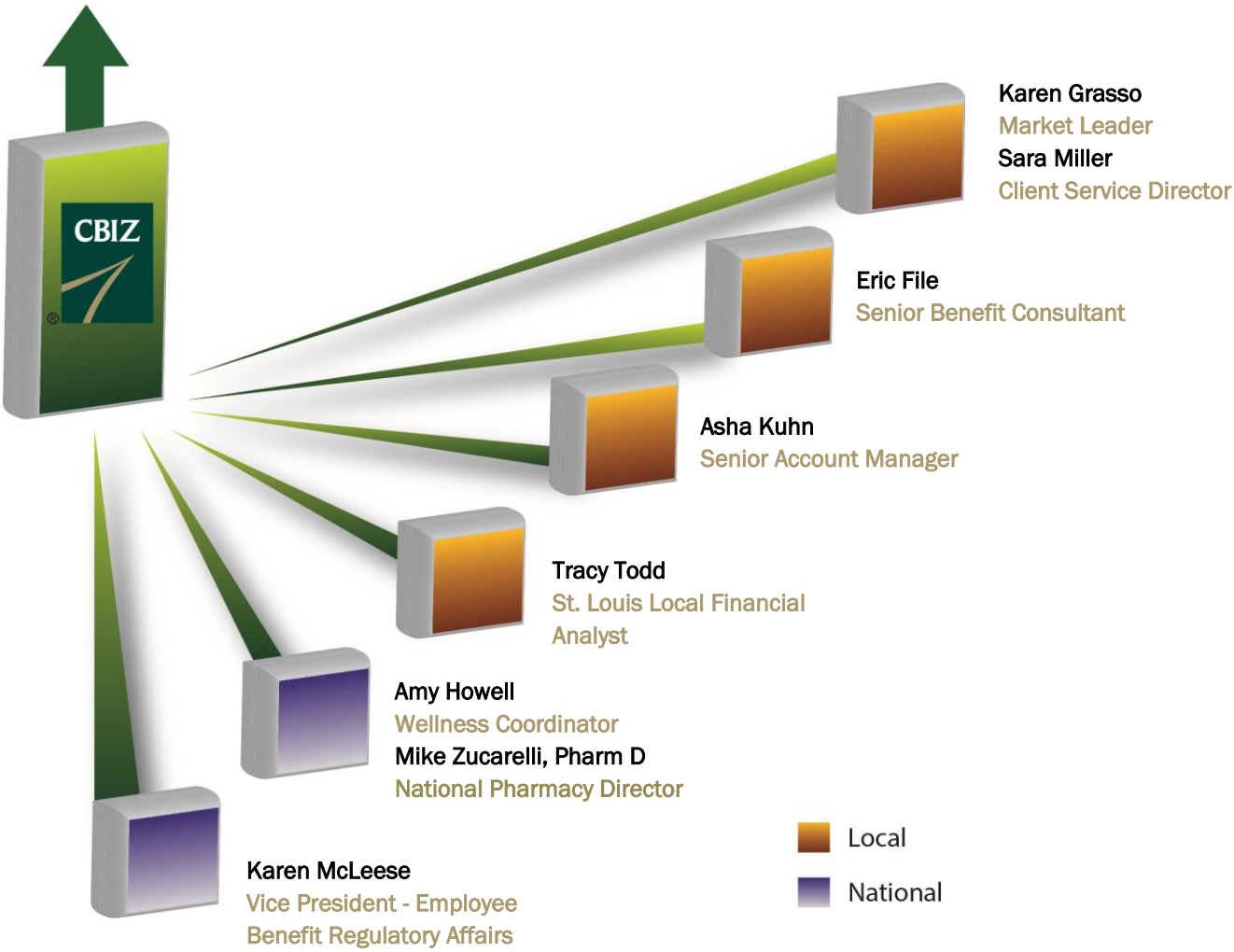
Below is a partial listing of local public entity employee benefit clients in the St. Louis market. We are proud to service these and many others with a variety of programs--including group medical, dental, life, vision, legal, disability insurance, HR services, Section 125 cafeteria plans, COBRA Administration, FSA Administration and other attractive fringe benefits for all employees or selected key employees.

Sample Local Public Entity Clients in St., Louis

City of Columbia, Missouri
City of Creve Coeur, Missouri
City of St. Charles, Missouri
City of St. Charles School District
City of O'Fallon, MO
City of Waterloo, IL
East St. Louis Housing Authority
Lindbergh School District
KIPP St. Louis
Madison County Government
Parkway School District
St. Louis Public Library
The School District of Clayton
University City School District
University City Fire Department
Village of Cahokia, Illinois

THE DISTRICT'S CBIZ TEAM

Rockwood School District will be assigned a dedicated CBIZ consulting team.



CBIZ Strategy Team

The dedicated CBIZ team, formed specifically for you, will be guided by Karen Grasso, Market Leader in St. Louis. Your highly experienced team will include:

- Eric File, Senior Consultant, to provide oversight, high-level strategic guidance consulting, plan design, and technical expertise.
- Asha Kuhn, Senior Account Manager, to provide day-to-day assistance, client/vendor interface, and document review.
- Tracy Todd, Financial Analyst, to provide any actuarial assistance.
- Amy Howell, Wellness Coordinator, to provide guidance and assistance to all wellness needs
- Michael Zucarelli, to provide analysis and support for all Rx and PBM questions and projects.
- Karen McLeese, JD, Attorney, to provide guidance on new regulations as they are release

Your account management team will be backed by CBIZ support staff, our legal and compliance staff, and other specialty areas as needed.

Consulting & Service Team

Karen Grasso – St. Louis Market Leader

314.692.5850 | kgrasso@cbiz.com

Business Experience

Karen, the St. Louis Market Leader for CBIZ Benefits and Insurance, has served CBIZ since 1999. Originally playing the role of Senior Account Executive, she successfully managed employee benefits planning through developing objectives and creative strategies to meet the needs of the many large employer groups with CBIZ. Karen has a thorough knowledge of the various CBIZ practices and has been most successful in identifying business solutions for her clients.

Accepting a promotion, in January, 2007, as Director of Business Development, Karen took on the responsibilities of new business planning, goal setting, and shares in the further development of our sales team. The ability to maintain strong relationships with CBIZ clients both externally and internally is one of Karen's great strengths. This allows her to continue to define and showcase CBIZ's competitive market distinction and value proposition.

Professional Designations

Licensed in Life, Accident, and Health as well as Property & Casualty in the states of Missouri, Illinois and Kansas.

Community/ Industry Involvement

- Named top 25 most Influential Women in Benefits Advising by EBA magazine in 2016
- CBIZ Women's Advantage – Executive Board Member since 2013
- Women's Cabinet of United Way
- Member of Financial Executives International
- Member of MPCA
- Member of SHRM
- Member of ALA

Sara R. Miller – Director of Client Services

314.692.5846 | samiller@cbiz.com

Business Experience

Sara began her career with CBIZ in 1999 as an Account Manager. In that capacity, she focused on developing employee communication and education strategies, ensuring benefit compliance, and providing resolution to client questions and claim inquiries. In 2010, she was promoted to Client Services Manager in which she worked closely with St. Louis Leadership and supervised the Account Management staff.

Sara now holds the title of Director of Client Services. In this capacity, she serves as a mentor and leader to the entire St. Louis client services department. Sara is responsible for the overall retention and growth of the current client customer base and oversees the delivery and quality of services provided. Sara has expertise in PPACA and serves as the local area Health Care Reform expert, while working closely with local and national leadership within CBIZ.

Education

Southeast Missouri State University
BSBA in Marketing and minors in both Management and Information Systems

Professional Designations

Life, Health, and Accident Licensed in the states of Missouri and Illinois

Account Coordination

Eric File – Senior Consultant

314.692.5848 | efile@cbiz.com

Service Specialties

- Overall group benefits consulting including expertise in medical, prescription, dental, disability, life, vision, voluntary worksite, and retirement programs for employer groups with 100 to 5,000 employees
- Education of employers, committees, and employees regarding the high cost of healthcare and what can be done to combat the medical trend increases
- Specializes in self-funded analysis, design, evaluation, and education
- Managing the employee benefits planning process, including clarifying employer objectives and developing creative strategies to meet these objectives
- Utilizing his financial knowledge and experience to provide a significant resource to employers during the employee benefits process
- Developing effective wellness solution strategies that have an impact on the health and productivity of employees

Business Experience

Eric has been in the insurance industry since 1988. Prior to joining CBIZ in 2001, Eric worked in the capacity of a sales and service representative with a major insurance carrier, and more recently, he has worked as a benefits consultant for a large firm for over 5 years. His knowledge of both realms of this industry proves beneficial in negotiations and servicing CBIZ clients.

Education

Bachelor of Arts in Mathematics with minors in history and psychology from Eastern Illinois University

Professional Designations

Life, Health and Accident licenses in the states of Missouri and Illinois

Community Involvement

Participant in SLAHU, and a member of the Riverbend Growth Association in the Alton, IL area

Asha Kuhn – Account Manager

314.692.5834 | akuhn@cbiz.com

Service Specialties

- Provides detailed research and resolution to client questions and claim inquiries for large self-funded accounts
- Manages renewal process with Account Executive, following Legislative requirements
- Conducts employee meetings and provides proactive employee communication and education

Business Experience

Asha joined CBIZ as an Account Manager in January, 2011. Asha has over 8 years of insurance service. Prior to joining CBIZ, she served as an Account Manager for a large privately-held insurance brokerage firm here in St. Louis specializing in all lines of benefit coverage. She worked as a Human Resources Specialist prior to pursuing her career in insurance.

Education

Indiana University
Bachelors of Science – Business
Minor: Psychology

Professional Designations

- Missouri Life and Health Insurance Licensed
- Specialized in Human Resources in both The United States and Canada

Community Involvement

- Dress for Success
- Love, Inc
- The Crisis Nursery
- Our Lady Inn

Financial Analyst

Tracy Todd – Financial Analyst

314.692.5848 | ttodd@cbiz.com

Service Specialties

- Data/claims analysis and commentary necessary to understand today's sophisticated health care industry
- Help employers gain a deeper understanding of their claims data and the impact benefit modifications will have on their overall healthcare costs
- Assist with forecasting and modeling of claims data through our carrier claims systems as well as our in house data management system

Business Experience

Tracy joins us from a regional health insurance carrier where she worked as an Actuarial Analyst in the Finance department. Her primary responsibilities included setting reserves and projecting trend. Tracy began her career as an Actuarial Analyst in the Medicare division of a national health insurance carrier. There she gained valuable experience performing detailed claims and financial analyses to support clinical initiatives. Having assisted in the development of the CBIZ Health Care Reform Analyzer, Tracy is able to estimate the financial impact to employers and their employees. With Tracy's knowledge and the use of the CBIZ Health Care Reform Analyzer, CBIZ is able to develop an integrated health care reform solution that will maximize results, minimize costs and ensure compliance for our clients.

Education

Tracy earned her Bachelor of Science in Mathematics with a minor in Insurance degree from Missouri State University. She is currently pursuing Associateship in the Society of Actuaries (ASA), having completed all preliminary ASA exams.

Professional Designations

Life, Health, and Accident Licensed in the state of Missouri

Wellness Coordinator

Amy Howell, CCWS – Wellness Coordinator

865. 251.5152 | arhowell@cbiz.com

Overview

Amy Howell is the Corporate Wellness Specialist for CBIZ Benefits & Insurance Services of Tennessee. Amy works closely with clients to understand their business needs and identify the unique factors contributing to health and productivity costs within their organization. She provides CBIZ Wellness Solutions programs that integrate with carrier and vendor resources to help clients meet their business goals.

Education

Bachelor of Science in Business Administration – University of Tennessee – Knoxville

Professional Designations

Certified Corporate Wellness Specialist (CCWS)
Licensed in Health, Life and Accident Insurance in Tennessee

Expertise

- Compliance with Federal Regulations governing corporate wellness programs
- Incentive Design
- Gap analysis and culture assessment
- Vendor Partnerships
- Industry Best Practices

Professional Memberships

- Corporate Health and Wellness Association (CHWA)
- The Wellness Council of America (WELCOA)
- The East Tennessee Wellness Roundtable
- CBIZ Women's Advantage

Employee Benefit Regulatory Affairs

Karen R. McLeese - Vice President - Employee Benefit Regulatory Affairs

(913) 234-1760 | kmcleese@cbiz.com

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:

- 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.

Karen received a Bachelor of Arts degree from the University of Notre Dame and her Juris Doctor from Duke University.

She is a member of the Kansas City Metropolitan Bar Association and the Missouri Bar Association. She is also a member of the Kansas Bar Association, and the Health Law Forum and Labor & Employment Law Sections of the American Bar Association.

National Pharmacy Practice

Michael Zucarelli, PharmD – National Pharmacy Practice Leader

602.308.6658| mzucarelli@cbiz.com

Business Experience

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. He is a graduate of the University of Arizona and joined CBIZ in 2013.

Service Specialties

- Lead clients through pharmacy benefit plan evaluation including procurement, contract review, and implementation of pharmacy benefit management for self-insured plan sponsors
- Lead planning and strategy meetings with clients to produce and maintain a cost-effective and sustainable pharmacy benefit for their employees and dependents
- Leverage PBM and carrier relationships to advocate vendor accountability and best practices on the client's behalf
- Employ and update proprietary modeling tools to determine pricing benchmarks consistent with the marketplace environment
- Proactively advise the core CBIZ account services teams on relevant State and Federal pharmacy issues
- Foster an environment of continuous learning by leading regular, topical pharmacy discussions with CBIZ associates
- Serve as a resource for clients and CBIZ associates specific to pharmacy benefit operations, clinical programs, and member experience

Education

Michael holds a Bachelor of Science in chemistry and Doctor of Pharmacy degree from the University of Arizona, Tucson, Arizona.

Professional Designations

- 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

BENEFITS CONSULTING

A few of our Core consulting services include but are not limited to:

Medical insurance plan design

Eric File and Asha Kuhn have vast experience working with public sector clients comparable in size and type to your District. Eric and Asha will work together to design a plan in line with the District's strategic goals and objectives.

Health assessment programs

Amy Howell, CBIZ Wellness Specialist, works with our clients to identify a vendor partner to administer the Health Assessments and gather the aggregate data. Through data analytics, Amy can assist the District in implementing programs to modify undesirable behavior and improve health/over-all wellbeing.

Employee health and medical consumer education

Your dedicated Senior Account Manager, Asha Kuhn, will work with the District to educate and inform your employees on being a conscious health consumer. Asha works with mid-size to large groups and has assisted many employees with:

- Understanding benefit offerings
- Being a smart consumer regarding benefits and health care (i.e. using available tools to estimate healthcare cost and prepare for costs)
- Navigating claims and submitting information to carriers

Pharmacy benefit management and pharmacy plan design

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 can assist clients with financial models, pharmacy program analysis, and clinical evaluation.

Disease management

Our Wellness Specialist, Amy Howell, can evaluate your claims data and work with you to identify disease concerns (ex: musculoskeletal, cardiovascular, diabetes etc.) Amy will help the District put programs in place to encourage compliance with disease management, provide education on improving/enhancing quality of life, and encourage behavior that is linked to improvement.

Health incentive programs

Amy Howell will work with you to design your health incentive program. Our clients have been awarded the Edington Next Practice award for their forward-thinking incentive based programs. Amy works with many clients in the region creating custom programs based on each employer group's needs. She can assist the District in deciding total incentive value/recognition to offer and formulate reduced plan contribution when employee completes the following:

- Health Risk Assessment
- Biometric
- Preventative Exam
- Non-tobacco user
- Participation in 2 company-wide wellness programs based on employee's identified risk (disease management, maternity, etc.)

Amy will help the District determine what will be implemented and how gradual the incentive based design will be structured.

Benefit plan implementation and employee communication
Asha will lead your CBIZ team in implementing your plans and helping the District develop a communication strategy for employees which may include various communication platforms. Asha will utilize cutting edge web-based software to create communication pieces that can be utilized not only at open enrollment but throughout the plan year for employee education or new hire onboarding.

Provider quality measurement and pay for performance
At CBIZ, we keep records of all provider communications regarding your group, claims information and employee issues. We monitor the status of issues and claims for employees with the carriers to ensure that the issue/claim is brought to full resolution. We can also integrate quality measurement questions into employee benefit satisfaction surveys.

Medical insurance and reinsurance (specifically self-funded design)
Should Rockwood School District want to explore alternate funding arrangements, Eric File is our in-house self-funded account specialist. He has significant experience working with various carriers and TPAs to ensure our employer groups have structured a self-funded plan that meets the goals and expectations of the company.

CBIZ legal resources
CBIZ's in-house legal staff is one of the best in the business. Their mission is to identify, research, and analyze complex legislative issues so that our clients don't have to. Our legal professionals are knowledgeable about past, current, and pending legislation and how it affects benefit plan sponsors and participants. CBIZ Legal is also adept at communicating complex issues in simple and actionable terms through a variety of client publications. As a CBIZ client, you will have full access to our in-house counsel for guidance on compliance issues.

Karen R. McLeese, Vice President - Employee Benefit Regulatory Affairs, leads our team in all compliance matters included, but not limited to, PPACA, ERISA, HIPAA and COBRA compliance. Karen has published several articles and had numerous speaking engagements on the above issues.

Claims and plan audits
Our service teams currently perform claims analysis and audits for our clients. We utilize data analytics, benchmarking tools and carrier information to assist employer groups with these audits.

Integration of all the above
Eric File will lead the District's team in implementing all services for the District. **Part of working with CBIZ is enjoying the benefit of working with a truly integrated team.** Our consultative approach allows us to tailor our services to meet your specific needs activating the appropriate resources wherever necessary for the District.

Ongoing Employee Service Support

The very foundation of our service begins with plastic cards to be given to the subscribers in the health plan with our service team's contact information. We pride our success on bridging the communication gap that can occur between the member, doctor/pharmacy office, and insurance provider. The member can contact our office with the question/issue; we will perform all of the research and/or communications, and reach back to the member with the resolution. Many calls can be resolved on the initial contact, but those that are not, will be followed-up on a daily basis with our service team while keeping the member informed of status.

A Strategic Partnership

CBIZ's collaborative and strategic approach fosters a true partnership between CBIZ professionals and our clients. Our focus is to help you align your employee benefit offerings with organizational goals and legislative mandates, obtain the best pricing, manage compliance liability, and maximize employee satisfaction.

CBIZ Strategic Consulting Approach

Strategic Planning and Objective Setting

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

Setting Short-Term and Long-Term Objectives

Our first step will be an in-depth review of your current situation. Together, we will explore:

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

During our planning sessions, we will listen, ask questions, and provide insights. We will consider a range of factors including benchmarking results, use of incentives, out-sourcing versus in-sourcing, vendor management, consumerism, and employee health and productivity.

Strategic Planning Outcome

The outcome of our strategy sessions will be well-defined goals and objectives for benefits in the coming year and beyond. Rather than supply "off-the-shelf" solutions, we will collaborate with you to develop a customized action plan to achieve the goals we set.

Action Plan and Timeline

- Based on our planning sessions, we will create an action plan that clearly defines:
- your goals and objectives;
- a brief description of current benefit plans and possible actions to align benefits with the goals and objectives;
- proposed services including potential renewals and marketing, health and productivity initiatives, communications, compliance activities, etc., and
- 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.

Benefit Plan Audit

In addition to the comparative analysis described above, CBIZ will conduct an audit of your current plans. A benefit plan audit examines participation, utilization, and claims experience among your

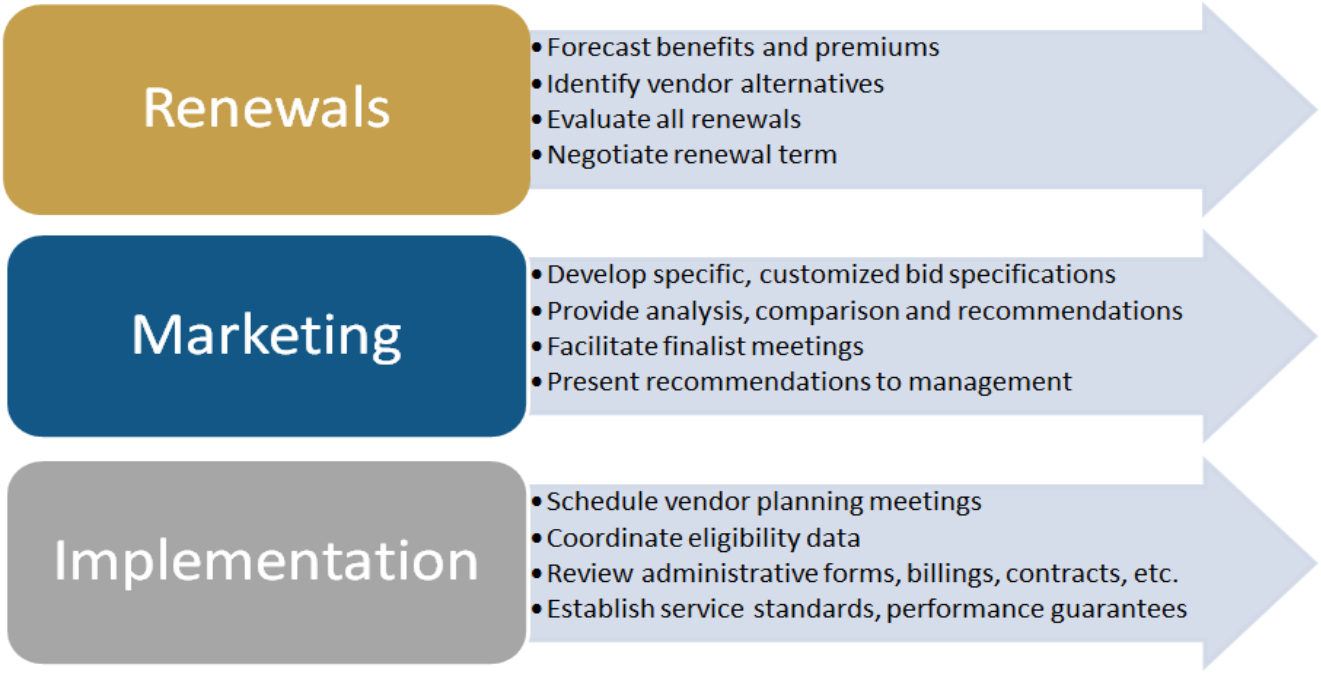
current offerings. We can help you identify potentially negative trends and work with you to develop solutions through plan re-design, employee education, and/or administrative changes.

Plan Design

Based on the results of our strategy sessions, benchmarking analysis, and plan review, we will provide several plan design options. From traditional medical plans to consumer directed health plans, we can devise an alternative that corresponds to your specific organizational goals, employee expectation, with carrier appropriate funding and minimal risk. For each option, we will indicate the financial, administrative, and employee relations implications and potential long-term outcomes.

Whether making minor adjustments to a current design or sweeping changes to your plans, CBIZ has the expertise and creativity to make it happen. Tools used in the process: actuarial analysis in forecasting and funding, analysis from our Pharmaceutical Director on prescription design, and available National benchmarking data.

Renewals, Marketing, and Rate Negotiation



Benchmarking is achieved through our national database, and through accepted national public entity survey's on an annual basis.

In addition to vendor selection, this is a good time to discuss:

- Implementing any long range benefit initiatives you have been considering; for example, the transition from fully insured, short-term disability insurance to a self-funded approach or a strategic plan design change.

- Discuss employee communication strategies to announce benefit changes, wellness initiatives, or enrollment processes; gather valuable employee feedback regarding benefits through employee surveys, webinars, or focus groups.

Pre-Renewal Planning Outcome

A productive pre-renewal planning session ensures that all parties have a clear understanding of next steps regarding renewal rates, benefit options, vendor options, and communication strategies. Roles, responsibilities, and milestone dates will be clearly defined either verbally or in a formalized timeline, whichever you prefer.

Renewals

We do our best to ensure that renewals be delivered by carriers at least 90 days prior to the renewal date. During the renewal process, we will:

- Evaluate all renewals for technical accuracy, completeness, consistency, and use of up-to-date trend information;
- negotiate renewal terms, conditions, and alternative plan design options on your behalf; and
- help you develop a benefits budget forecast, if applicable.

To accept the renewal, we will complete all vendor forms and employer applications to "signature ready" condition. We will closely review all vendor documents, contracts, administrative forms, booklets, and summary plan descriptions, utilizing the expert eyes of our compliance team.

Marketing

If our pre-renewal analysis calls for competitive bidding, we will draft specific, customized bid specifications, according to criteria approved by the District and submit to potential, best-fit vendors. Upon their response, we will review and analyze each response in light of your objectives. We will then deliver to you:

- A detailed analysis and comparison of the vendors' plan designs, provider match-up, and funding options;
- an assessment of which proposal is most compelling and why, any underlying nuances that should be considered, and things to consider when making your final decision; and
- an executive summary and presentation to management as necessary.

We will also organize and facilitate vendor finalist meetings and offer an unbiased assessment of each presentation.

Marketing Relationships

CBIZ enjoys senior-level relationships with all national and local insurance carriers, benefit administrators, and financial service companies. Regardless of your size or benefit plan design, we can help you select the right partner. We have cultivated goodwill and leverage with providers of medical, dental, vision, disability, life insurance and all other health and welfare benefit programs.

We are preferred producers and sit on Agent Advisory Councils for several major carriers, including; Aetna, Anthem, CIGNA and United Healthcare.

Enrollment Support

CBIZ takes a proactive approach to annual benefits enrollment. Starting early and staying on track are our specialties. We will:

- Coordinate the enrollment process with vendor including eligibility data;
- develop employee communication materials including announcement letter, benefit summaries and custom materials as needed;
- review vendor and/or client enrollment materials;
- identify electronic enrollment capabilities – internal, CBIZ, or 3rd party;
- facilitate employee meetings via webcast or in person, including PowerPoint presentation and vendor support; and
- provide vendor interface throughout the enrollment season.

In addition to facilitating annual open enrollment meetings or webcasts, we are available on an on-going basis to answer employee questions regarding plan benefits, covered and excluded services, pre-certification procedures, provider networks, claims, etc. We also utilize web-based employee communication materials so that employees and dependents can view 24hours/7days a week.

Implementation and Vendor Management

Whether entering into a renewal contract or switching to a new vendor, CBIZ will coordinate and manage the implementation process and the ongoing vendor relationship. We will:

- Schedule planning and implementation meetings with vendors as needed;
- coordinate eligibility data requirements and timing;
- order vendor benefit booklets and/or certificates, ID cards;
- review administrative forms and billing;
- request and review contracts, SPDs, and other vendor materials;
- provide ongoing employee support for claims, customer service, etc.;
- proactively identify issues before they become problems; and
- establish service level expectations and negotiate performance guarantees as appropriate.

CBIZ leverages our position in the marketplace to obtain the best value, prices, and performance from all major vendors. During the vendor selection process we will obtain meaningful vendor commitments, ensure that their contracts accurately reflect their promises, and then manage the vendor performance on an ongoing basis.

Plan Management

CBIZ provides ongoing plan management, monitoring the District's cost and utilization trends on an ongoing basis that identifies:

- Enrollment and claims trend;

As part of our ongoing analysis, we will make recommendations on steps to control these costs. Plan management also includes compliance guidance, renewal meetings, and annual review.

Benefit Administration and Technology Solutions

CBIZ provides practical benefits administration consulting advice based upon our market research and experience in the industry and with our clients. We recognize that there are many administration and technology solutions designed to simplify the administration of your employee benefit programs and enable employee self-service. **We also understand that one size does not fit all.** Our clients have unique needs, and whether very simple or complex, we have a solution available that is the right fit.

At CBIZ, we let consulting drive the process – administration is simply a tool. We will not recommend anything you do not need and will not use. Instead, we will evaluate your technology needs and resources, and propose the most effective and efficient solution. For some clients, this may be full benefits administration with our CBIZ Employee Management System (EMS). Please note a separate fee applies for EMS. For others, it may be an introduction to one or more third-party technology partners, or utilization of your own internal resources.

Benefits & Insurance

- Employee Benefits Consulting
- Human Capital Management/ Payroll
- Property & Casualty
- Retirement Plan Services
- Human Capital Services
- Executive Search
- Compensation Consulting
- Life Insurance

Financial & Accounting

- Accounting & Tax
- Government Health Care Consulting
- Financial Advisory
- Valuation
- Litigation Support
- Risk & Advisory Services
- Real Estate Advisory Services

Core Services	Advanced Services
◆ Online access to information on crucial topics, including: Benefit & Compensation, Compliance, Performance & Productivity, Equal Employment Opportunity ◆ Model Documents and Forms ◆ Productivity Tools ◆ News and Articles ◆ Benchmark Surveys and Statistics ◆ On-line Enrollment Work-Flow Tool ◆ Employee Self-Service Platform ◆ Benefit and HR Intranet Site	◆ Full Benefit Administration System (*EMS*) ◆ Online Enrollment ◆ Carrier Interface ◆ Payroll Interface ◆ Content Management ◆ Customized Reporting ◆ Decision Support Tools ◆ HRIS Features ◆ Payroll Self-Service Portal ◆ HR Support Center ◆ Employee Educational Videos ◆ Health & Wellness Resource Tools

CBIZ ACA Checkpoint

With regulations like the Employer Shared Responsibility Tax, employers can expect to face a number of reporting and compliance requirements along with associated tax liabilities and penalties.

Aimed at minimizing one's ACA compliance risk, CBIZ ACA CheckPoint is an integrated management tool designed to provide continually updated ACA monitoring, reporting, and documentation. This service is available at an additional cost. The District may certainly choose to continue utilizing their current payroll service provider or third-party administrator.

Employee Communication and Education

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. **SEE SAMPLE EMPLOYEE COMMUNICATIONS IN APPEDIXES.** 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.

In devising a communication strategy, we will:

- Examine your organization 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

Communication - Media and Materials

CBIZ offers a range of communication services, from basic enrollment support to customized communication campaigns. 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, announcement campaigns, wellness bulletins, summary plan descriptions (SPDs), web blast announcements, online summaries. **SEE SAMPLE EMPLOYER COMMUNICATIONS IN APPEDIXES.**

We can also conduct employee research including surveys and focus groups to assess perceptions, expectations, and benefit needs.

CBIZ understands the importance of employee education and the opportunity for employees to inquire about benefits offerings. At open enrollment, we will set meetings in-person (and via webinar

if needed) to educate employees and give them an opportunity to ask questions. Throughout the plan year, we will provide benefit and wellness communications. For new hires, we will provide the Employee Benefit Booklet online so that it may be utilized during the interviewing and onboarding processes.

CBIZ HRSolutions (No Cost)

CBIZ HRSolutions is a comprehensive, online, information portal which includes a live hotline that gives you quick access to resources, information, and answers when you need them. CBIZ HRSolutions can handle basic everyday chores, freeing you to spend time on more strategic issues and tasks. Key features include:

- Live Hotline that gives you the support of a full team of Human Resources specialists who are prepared to provide you with the answers and practical advice you need. Every month you have access to four (4) hours of confidential HR assistance via phone or email.
- Fast Answers or Detailed Discussion on hundreds of questions on crucial HR topics, including Benefits & Compensation, Compliance, Performance & Productivity, Equal Employment Opportunity, Risk Management & Safety, and Recruiting, Selection & Staffing.
- Resources, Model Documents, and Forms that can be downloaded and used as a foundation from which to build custom documents for your organization, such as HR Policy Handbook, COBRA Forms, Personnel Forms, Promotion & Transfer Policies, Handbook Receipt Form, Health & Safety Policy, and Leave Policies & Forms.
- Productivity Tools, including a library of thousands of job descriptions and a tool to create your own custom descriptions within minutes, and Performance Now, a tool that facilitates preparation of employee reviews.
- News and Articles on current trends, timely subjects, best practices, and more.

Ongoing Educational Seminar / Webinars & Educational Periodicals

In order to keep our clients up-to-date on current developments in human resources, benefits and compliance, CBIZ offers periodic seminars and webinars on topics of interest. A calendar of Webinar events is released on an annual basis. Often times, the webinars provide continuing education credits for the fields of HR, CPA, and CFO. **SEE EXAMPLE IN APPENDIXES.**

Additional CBIZ Services

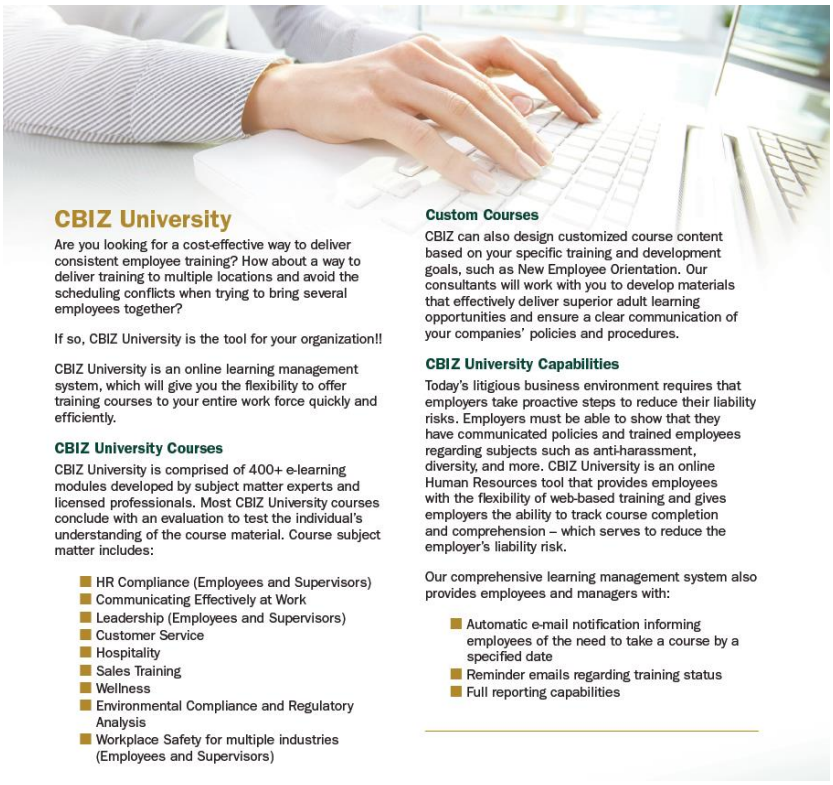
Human Resources Consulting (Fee Based)

With increasing pressure to do more with less and a pattern of increasing labor legislation, managing your human capital is more important and challenging than ever. It is critical to your company's success that you get the most from your people and address your Human Resources (HR) issues in a systemic way. Our HR expertise and knowledge of best practices can guide you in effectively addressing all aspects of HR for your organization. Whether it's evaluating risks, improving efficiencies, managing change, or a cultural assessment, we can help improve your organization's performance. We can assist your organization in the areas of:

- HR Compliance Assessments
- HR Process Review and Improvements
- Employee Engagement Surveys
- Human Capital Due Diligence for Mergers and Acquisitions
- Start-up Company HR Set Up
- Employee Handbooks

CBIZ University (Fee Based)

CBIZ University offers multiple courses comprised of e-learning modules developed by CBIZ Human Resource professionals and reviewed by labor and employment law experts. Most courses include testing to evaluate individual understanding of the material presented.



CBIZ University allows clients the ability to easily administer courses, track course status and document participant progress. Managers will know employees' training status and the organization will be able to demonstrate that important policies and procedures have been communicated and employees have been tested on the information.

Pricing for CBIZ University is dependent upon the number of employees utilizing CBIZ University and the number of courses administered and ranges from $8 to $12 per employee per course. A formal proposal would be prepared based on the District's specific needs.

COBRA Administration (Fee Based)

CBIZ COBRA services are comprehensive and provide accurate and timely service to your COBRA participants while meeting all regulatory requirements. CBIZ will:

- Track enrollment and premium payments;
- inform participants of all premium rate changes;
- periodically verify participant's eligibility;
- update all participant information;
- carefully monitor election periods and participant time frames;
- provide a Certificate of Coverage detailing benefit history;
- produce and issue the letters necessary to properly administer COBRA medical and health insurance administration plans to all participants;
- provide monthly eligibility and participation reports; and
- maintain COBRA medical and health insurance administration plans activity documentation.

FSA Administration (Fee Based)

CBIZ is a leader in Flexible Spending Account (FSA) administration. We administer all types of FSAs including health care, dependent care, and transportation accounts.

- Our services include the following employer and participant services:
- FSA debit cards, administration, and claims;
- plan document preparation;
- participant communications, including FSA video;
- 5500 filing and compliance review; and
- discrimination testing.

CBIZ SERVICE PROMISE

WE PLEDGE TO PROVIDE AN EXCEPTIONAL SERVICE EXPERIENCE TO EVERY CBIZ CLIENT THROUGH:

- 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 product 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.

Reporting

CONFIDENTIAL

ABC Company

Medical, Pharmacy & Dental Incurred But Not Paid (IBNP) Report
For December 31, 2015

CBIZ, Inc.
625 Maryville Centre Dr, Suite 200
St. Louis, MO 63141
Telephone: (314) 692-2249

Completed January 22, 2016

ABC Company
Claim Reserve Valuation Estimates as of December 31, 2015

CBIZ Employee Services, Inc. prepared an estimate of the claims incurred but not yet paid for ABC Company's benefit plan as of December 31, 2015. We recommend ABC Company hold the following IBNR reserve:

	Claim IBNR Estimates	Claims Processed But Not Cleared Bank Account (Estimated)	Administration Expenses on Run-off (Rounded)	Total
Medical	$1,850,000	$169,100	$224,500	$2,243,600
Pharmacy	$360,000	$53,900	$800	$414,700

Final Reserve Estimate **$2,658,300**

In making the estimation, CBIZ relied upon the following information:

- Paid claim lag reports
- Monthly enrollment reports
- Large claim reports
- Administrative and Stop Loss data

This information was provided from ABC Company's claim payers, UnitedHealthcare, Express Scripts and Delta Dental. Full reliance on the accuracy of this data was placed on these parties.

Other information pertinent to the claim valuation was requested from UnitedHealthcare, Express Scripts and Delta Dental. Information of note is as follows:

- Monthly backlog and lost workdays – None reported
- Claims in the course of settlement – None reported
- Large claimants – Claimants exceeding the stop loss deductible of $300,000 (plus $125,000 aggregating spec) were considered. Claims of amount $859,260 were removed from the medical claim lag.
- Contractual arrangements – Information regarding claim run-out processing costs were received.
- Liability for legal fees or consulting fees related to claim investigation and settlement – None reported
- Definition of incurral date – Date of service
- Computer system conversion and/or other conversions – None reported
- Claims processed but not cleared bank account – Accounts for the lag between when a claim is reported as paid by the vendor versus actual physical withdrawl from ABC Company's checking account.

The conclusions drawn in this report are based on the assumptions outlined. There is no guarantee that ABC Company's actual experience will match the estimates as provided.

ABC Company

Claim Reserve Valuation Estimates as of December 31, 2015

Medical, Pharmacy and Dental

I. MEDICAL CLAIM IBNP RESERVE CALCULATION:

	Reserve Valuation Method Description	Medical Reserve Estimate	Reinsurance Recoverable	Seasonality & Margin	TOTAL
1.	***Harm12/Man12***	**$1,821,902**	**1.00**	**1.02**	**$1,858,340**
2.	***Harm12/Man6***	**$1,775,868**	**1.00**	**1.02**	**$1,811,385**
3.	***Harm6/Man12***	**$1,910,094**	**1.00**	**1.02**	**$1,948,296**
4.	***Harm6/Man6***	**$1,863,135**	**1.00**	**1.02**	**$1,900,397**
5.	***Harm3/Man12***	**$2,089,568**	**1.00**	**1.02**	**$2,131,360**
6.	***Harm3/Man6***	**$2,038,748**	**1.00**	**1.02**	**$2,079,523**
7.	***6 mos avg pd claims x Harm12 "# Mos UnPd"***	**$1,783,239** 1.002	**1.00**	**1.02**	**$1,818,903**
8.	***6 mos avg pd claims x Harm 6 "# Mos UnPd"***	**$1,875,962** 1.054	**1.00**	**1.02**	**$1,913,481**
9.	***12 mos avg pd claims x Harm12 "# Mos UnPd"***	**$1,717,247** 1.002	**1.00**	**1.02**	**$1,751,592**
10.	***12 mos avg pd claims x Harm 6 "# Mos UnPd"***	**$1,806,539** 1.054	**1.00**	**1.02**	**$1,842,670**
11.	***Average of 10 Methods***				**$1,905,595**

12. **Prior Months Runoff Claims**

	Runoff Medical	Harm 12/Man 12 Remaining Reserve Medical	Total Est Runoff	High & Low
Dec 15	$0	$1,821,902	$1,821,902	
Nov 15	$1,164,124	$614,051	$1,778,175	
Oct 15	$1,652,223	$318,726	$1,970,949	
Sep 15	$2,077,271	$164,850	$2,242,121	*High*
Aug 15	$1,915,983	$107,800	$2,023,782	
Jul 15	$1,802,549	$71,914	$1,874,463	
Jun 15	$1,362,669	$45,922	$1,408,592	
May 15	$1,410,734	$33,682	$1,444,415	
Apr 15	$1,620,400	$26,232	$1,646,632	
Mar 15	$2,092,115	$19,586	$2,111,700	
Feb 15	$1,451,724	$12,928	$1,464,652	
Jan 15	$1,626,814	$10,323	$1,637,137	
Dec 14	$1,406,852	$6,523	$1,413,375	
Nov 14	$1,402,166	$3,797	$1,405,964	*Low*
Oct 14	$1,405,183	$2,544	$1,407,727	
Sep 14	$1,426,784	$1,093	$1,427,877	
Aug 14	$1,435,216	$676	$1,435,892	
Jul 14	$1,982,943	$367	$1,983,310	
Jun 14	$1,787,574	$0	$1,787,574	

13. Claim Reserve Relative Range: $1,405,964 to $2,242,121

14. Medical Claims IBNR Reserve Estimate: $1,850,000

15. Medical Claims Processed But Not Cleared Bank Account (Estimated): $169,100 *(3 day estimate)*

16. Administration Expenses of Run-off Claims (Rounded): $224,500 *($41.12 PEPM * 2,730 EEs * 2 months)*

17. Final Total Medical Reserve Estimate: **$2,243,600**

ABC Company
Claim Reserve Valuation Estimates as of December 31, 2015
Medical, Pharmacy and Dental

II. PHARMACY CLAIM IBNP RESERVE CALCULATION:

	Reserve Valuation Method Description	Pharmacy Reserve Estimate	Reinsurance Recoverable	Seasonality & Margin	TOTAL
1.	***Harm12/Man12***	**$336,310**	**1.00**	**1.02**	**$343,036**
2.	***Harm12/Man6***	**$353,450**	**1.00**	**1.02**	**$360,519**
3.	***Harm6/Man12***	**$346,368**	**1.00**	**1.02**	**$353,295**
4.	***Harm6/Man6***	**$363,644**	**1.00**	**1.02**	**$370,917**
5.	***Harm3/Man12***	**$349,253**	**1.00**	**1.02**	**$356,238**
6.	***Harm3/Man6***	**$366,414**	**1.00**	**1.02**	**$373,742**
7.	***6 mos avg pd claims x***	**$351,183**	**1.00**	**1.02**	**$358,206**
	Harm12 "# Mos UnPd"	0.614			
8.	***6 mos avg pd claims x***	**$365,201**	**1.00**	**1.02**	**$372,505**
	Harm 6 "# Mos UnPd"	0.639			
9.	***12 mos avg pd claims x***	**$336,021**	**1.00**	**1.02**	**$342,741**
	Harm12 "# Mos UnPd"	0.614			
10.	***12 mos avg pd claims x***	**$349,433**	**1.00**	**1.02**	**$356,422**
	Harm 6 "# Mos UnPd"	0.639			
11.	***Average of 10 Methods***				**$358,762**

12. **Prior Months Runoff Claims**

	Runoff Pharmacy	Harm 12/Man 12 Remaining Reserve Pharmacy	Total Est Runoff	High & Low
Dec 15	$0	$336,310	$336,310	
Nov 15	$311,571	$17,928	$329,498	
Oct 15	$296,956	$3,030	$299,986	
Sep 15	$396,155	$2,062	$398,218	
Aug 15	$420,512	$1,281	$421,794	*High*
Jul 15	$360,618	$895	$361,514	
Jun 15	$308,659	$563	$309,222	
May 15	$299,740	$388	$300,128	
Apr 15	$420,717	$270	$420,987	
Mar 15	$249,768	$141	$249,909	
Feb 15	$232,008	$115	$232,123	*Low*
Jan 15	$275,994	$96	$276,091	
Dec 14	$366,684	$83	$366,767	

13. Claim Reserve Relative Range: $232,123 to $421,794

14. Pharmacy Claims IBNR Reserve Estimate: $360,000

15. Pharmacy Claims Processed But Not Cleared Bank Account (Estimated): $53,900 *(3 day estimate)*

16. Administration Expenses of Run-off Claims (Rounded): $800 *($0.15 PEPM * 2,731 EEs * 2 months)*

17. Final Total Pharmacy Reserve Estimate: **$414,700**

ABC Company

Triangulation Report

Medical

INCURRED: 1/1/14 - 12/31/15

Manual adjustment to remove claims above Deductible of $859,260

Valuation Date: December 31, 2015

Reinsurance Recoverable: $300,000 with $125,000 aggregating spec

Seasonality & Margin: 1.02

Annual Trend: 7.8%

INCURRED →

PAID ↓	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15
Jan-14	461,568														
Feb-14	749,509	569,641													
Mar-14	232,151	781,930	497,377												
Apr-14	58,623	243,739	1,045,665	624,403											
May-14	100,407	19,325	246,285	1,017,059	430,521										
Jun-14	5,915	73,532	71,924	398,961	879,173	672,065									
Jul-14	11,010	6,592	17,127	65,996	139,936	798,596	777,287								
Aug-14	9,381	31,847	13,046	5,824	180,019	355,966	900,481	633,466							
Sep-14	1,353	774	48,328	9,551	6,353	9,695	298,837	754,903	645,167						
Oct-14	190	12,486	5,822	3,711	2,906	5,585	29,467	75,119	921,515	724,976					
Nov-14	2,482	10,462	(250)	(981)	(299)	7,274	4,707	56,876	77,588	808,070	522,967				
Dec-14	2,581	1,245	1,142	3,165	1,302	521	385	5,704	86,932	185,143	786,349	904,499			
Jan-15	(29)	54	195	0	1,898	773	1,927	3,141	1,036	17,003	91,164	889,813	508,147		
Feb-15	57	0	14	4,904	0	586	(448)	31,591	1,020	6,783	10,898	133,941	722,218	482,138	
Mar-15	(30)	823	343	2,197	(1,002)	(36)	143	2,815	1,884	6,862	42,851	22,643	158,732	603,272	845,270
Apr-15	(1,318)	60	(294)	660	438	5,540	(203)	1,403	6,794	1,370	4,987	8,454	244,708	51,576	1,092,054
May-15	0	0	443	(147)	1,381	377	(5,276)	4,335	3,006	4,584	12,892	6,147	48,520	46,606	324,442
Jun-15	0	0	90	(558)	363	385	1,655	417	17,733	4,628	8,094	772	46,279	11,931	13,254
Jul-15	0	43	0	445	50	494	2,229	(555)	1,883	1,648	1,578	9,674	(1,030)	5,469	8,178
Aug-15	0	1,917	120	640	0	(55)	915	1,439	(1,108)	(94)	(102)	(1,684)	(1,196)	12,187	13,229
Sep-15	42	0	0	0	0	(2,822)	(108)	714	451	(3,628)	75	136	(653)	613	21,491
Oct-15	2,400	(7,500)	0	0	0	1,052	30	273	2,147	1,020	222	398	549	313	2,635
Nov-15	0	0	2,500	0	0	0	(128)	11,414	330	1,984	1,227	(168)	8,843	4,702	5,580
Dec-15	0	0	0	0	(656)	0	9	(755)	152	(172)	2,676	9,027	(33)	(194)	1,024
Total	1,636,291	1,746,971	1,949,877	2,135,830	1,642,382	1,855,998	2,011,913	1,582,301	1,766,529	1,760,177	1,485,880	1,983,653	1,735,084	1,218,614	2,327,158

Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	PD CLAIMS PLAN YEAR	CUMMUL PD CLAIMS PER	
									$461,568	$461,568	Jan 14
									$1,319,149	$1,780,717	Feb 14
									$1,511,459	$3,292,176	Mar 14
									$1,972,431	$5,264,606	Apr 14
									$1,813,597	$7,078,204	May 14
									$2,101,571	$9,179,775	Jun 14
									$1,816,544	$10,996,319	Jul 14
									$2,130,028	$13,126,347	Aug 14
									$1,774,961	$14,901,308	Sep 14
									$1,781,778	$16,683,086	Oct 14
									$1,488,896	$18,171,982	Nov 14
									$1,978,967	$20,150,950	Dec 14
									$1,515,122	$1,515,122	Jan 15
									$1,393,704	$2,908,826	Feb 15
									$1,686,768	$4,595,593	Mar 15
567,068									**$1,983,298**	$6,578,891	Apr 15
757,889	440,532								**$1,645,730**	$8,224,621	May 15
80,657	874,202	606,359							**$1,666,261**	$9,890,881	Jun 15
48,822	54,850	706,202	639,941						**$1,479,923**	$11,370,804	Jul 15
10,447	44,684	57,933	881,761	656,457					**$1,677,491**	$13,048,295	Aug 15
28,079	8,736	222,401	221,970	734,102	530,168				**$1,761,770**	$14,810,065	Sep 15
10,601	7,548	5,407	152,745	99,257	1,025,414	715,893			**$2,020,406**	$16,830,471	Oct 15
7,803	813	929	21,739	296,669	349,302	733,062	488,653		**$1,935,252**	$18,765,723	Nov 15
216	4,699	18,965	1,647	4,440	18,175	146,403	958,500	642,480	**$1,806,603**	$20,572,326	Dec 15
1,511,583	**1,436,063**	**1,618,196**	**1,919,803**	**1,790,925**	**1,923,058**	**1,595,358**	**1,447,153**	**642,480**	**40,723,276**	$20,572,326	

ABC Company

Triangulation Report

Pharmacy

INCURRED: 1/1/14 - 12/31/15

Valuation Date: December 31, 2015

Reinsurance Recoverable: $0

Seasonality & Margin: 1.02

Annual Trend: 11.3%

INCURRED →

PAID ↓	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15
Jan-14	176,508														
Feb-14	283,614	204,030													
Mar-14	3,101	212,786	271,180												
Apr-14	173	7,626	243,209	197,309											
May-14	508	0	15,721	282,953	244,990										
Jun-14	0	0	167	292	261,726	218,145									
Jul-14	127	0	619	687	670	322,194	207,521								
Aug-14	0	0	0	0	6,978	389	358,001	279,568							
Sep-14	0	0	0	0	0	0	6,242	200,359	198,512						
Oct-14	(1,048)	(1,048)	0	0	0	(327)	(74)	38	291,761	169,219					
Nov-14	0	0	0	0	0	0	1,381	1,501	(67)	346,915	260,156				
Dec-14	(396)	0	0	0	0	0	0	0	0	3,608	255,594	220,459			
Jan-15	0	0	0	0	0	0	0	0	163	140	17,312	331,637	246,462		
Feb-15	0	0	0	0	0	0	0	0	0	0	163	15,724	244,845	198,394	
Mar-15	0	0	0	0	0	0	0	0	0	0	0	35	13,717	216,581	234,201
Apr-15	0	0	0	0	0	0	0	0	0	0	0	0	0	118	233,698
May-15	17	0	0	0	0	0	0	0	0	0	0	0	0	15	8,842
Jun-15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	26
Jul-15	(97)	0	0	0	0	0	0	0	0	0	0	0	0	0	4,768
Aug-15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sep-15	0	0	0	0	0	0	0	0	0	0	0	1,089	0	32	760
Oct-15	0	0	0	0	(7)	0	0	0	0	0	0	60	0	0	0
Nov-15	0	0	0	0	181	0	0	0	0	0	0	121	0	0	0
Dec-15	143	0	0	0	0	4	0	0	0	0	0	0	0	0	0
Total	**462,651**	**423,394**	**530,896**	**481,242**	**514,537**	**540,405**	**573,071**	**481,465**	**490,369**	**519,882**	**533,225**	**569,125**	**505,024**	**415,139**	**482,294**

Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15		PD CLAIMS PLAN YEAR	CUMMUL PD CLAIMS PER
									$176,508	$176,508	Jan 14
									$487,644	$664,152	Feb 14
									$487,067	$1,151,220	Mar 14
									$448,316	$1,599,536	Apr 14
									$544,172	$2,143,708	May 14
									$480,331	$2,624,039	Jun 14
									$531,818	$3,155,857	Jul 14
									$644,935	$3,800,792	Aug 14
									$405,112	$4,205,905	Sep 14
									$458,522	$4,664,427	Oct 14
									$609,887	$5,274,313	Nov 14
									$479,264	$5,753,578	Dec 14
									$595,714	$595,714	Jan 15
									$459,126	$1,054,839	Feb 15
									$464,534	$1,519,373	Mar 15
198,835									**$432,652**	$1,952,025	Apr 15
404,741	260,451								**$674,064**	$2,626,089	May 15
26	284,852	222,772							**$507,676**	$3,133,765	Jun 15
0	6,900	276,895	207,734						**$496,200**	$3,629,965	Jul 15
0	0	16,077	328,989	231,369					**$576,435**	$4,206,399	Aug 15
0	100	3	10,305	376,238	203,426				**$591,952**	$4,798,352	Sep 15
0	0	0	1,131	29,524	363,402	305,405			**$699,516**	$5,497,867	Oct 15
0	0	0	0	20	767	230,461	245,866		**$477,414**	$5,975,282	Nov 15
0	784	848	0	(823)	0	64,450	246,164	276,851	**$588,422**	$6,563,703	Dec 15
603,601	**553,087**	**516,595**	**548,159**	**636,329**	**567,595**	**600,316**	**492,029**	**276,851**	**12,317,281**	$6,563,703	

Monthly Financial Overview of the Group Health Plan

ABC Company

Plan Year: January 1, 2016 - December 31, 2016
6 Month Reporting Period: January 1, 2016 - June 30, 2016

Presented by CBIZ Benefits & Insurance Services, Inc.

I. Cost Versus Funding

ABC Company

Plan Year: January 1, 2016 - December 31, 2016
6 Month Reporting Period: January 1, 2016 - June 30, 2016

A. Cost versus funding — By plan and active/Cobra/retiree status

			Claims					Total Cost (Claims + Fixed)		Total Funding		
	Subs	Fixed Costs	Medical Claims	Pharmacy Claims	> Specific Claims	Net Claims	PSPM Claims	Total Cost	PSPM Cost	Total Funding	PSPM Funding	Loss Ratio
High Active	825	$299,238	$3,953,223	$1,536,496	$0	$5,489,719	$1,109	$5,788,957	$1,169	$5,267,328	$1,064	109.9%
Base Active	1,048	$379,986	$2,622,280	$983,546	$0	$3,605,826	$574	$3,985,812	$634	$5,996,929	$954	66.5%
QHDHP Active	478	$180,449	$1,444,779	$406,628	$0	$1,851,406	$646	$2,031,855	$709	$2,435,596	$850	83.4%
High Retiree <65 / Cobra	197	$71,501	$847,713	$374,256	$0	$1,221,969	$1,033	$1,293,469	$1,093	$1,056,148	$893	122.5%
Base Retiree <65 / Cobra	87	$31,550	$199,221	$179,676	$0	$378,897	$726	$410,446	$786	$472,611	$905	86.8%
QHDHP Retiree <65 / Cobra	38	$14,224	$77,527	$7,147	$0	$84,673	$375	$98,898	$438	$158,065	$699	62.6%
High Retiree >65	36	$13,055	$137,100	$106,996	$0	$244,096	$1,130	$257,151	$1,191	$179,298	$830	143.4%
Base Retiree >65	6	$2,176	$4,271	$3,246	$0	$7,517	$209	$9,693	$269	$34,314	$953	28.2%
QHDHP Retiree >65	1	$504	$0	$0	$0	$0	$0	$504	$63	$4,160	$520	12.1%
Adjustments			$11	$64		$75		$75				
Total	**2,716**	**$992,683**	**$9,286,123**	**$3,598,055**	**$0**	**$12,884,178**	**$791**	**$13,876,861**	**$852**	**$15,604,449**	**$958**	**88.9%**

B. Employee versus employer funding — By plan and active/Cobra status

		Total Funding (EE + ER)		Employee Funding			Employer Funding (Total Less Employee)		
	Subs	Total Funding	PSPM Funding	Employee Funding	PSPM Funding	% Employee Funding	Employer Funding	PSPM Funding	% Employer Funding
High Active	825	$5,267,328	$1,064	$1,455,647	$294	27.6%	$3,811,681	$770	72.4%
Base Active	1,048	$5,996,929	$954	$968,517	$154	16.2%	$5,028,412	$800	83.8%
QHDHP Active	478	$2,435,596	$850	$380,698	$133	15.6%	$2,054,898	$717	84.4%
High Retiree <65 / Cobra	197	$1,056,148	$893	$1,056,148	$893	100.0%	$0	$0	0.0%
Base Retiree <65 / Cobra	87	$472,611	$905	$472,611	$905	100.0%	$0	$0	0.0%
QHDHP Retiree <65 / Cobra	38	$158,065	$699	$158,065	$699	100.0%	$0	$0	0.0%
High Retiree >65	36	$179,298	$830	$179,298	$830	100.0%	$0	$0	0.0%
Base Retiree >65	6	$34,314	$953	$34,314	$953	100.0%	$0	$0	0.0%
QHDHP Retiree >65	1	$4,160	$520	$4,160	$520	100.0%	$0	$0	0.0%
Total	**2,716**	**$15,604,449**	**$958**	**$4,709,458**	**$289**	**30.2%**	**$10,894,991**	**$669**	**69.8%**

I. Cost Versus Funding

ABC Company

Plan Year: January 1, 2016 - December 31, 2016
6 Month Reporting Period: January 1, 2016 - June 30, 2016

C. Cost versus funding — By plan

			Claims					Total Cost (Claims + Fixed)		Total Funding		
	Subs	Fixed Costs	Medical Claims	Pharmacy Claims	> Specific Claims	Net Claims	PSPM Claims	Total Cost	PSPM Cost	Total Funding	PSPM Funding	Loss Ratio
High	1,058	$383,794	$4,938,036	$2,017,748	$0	$6,955,784	$1,095	$7,339,578	$1,156	$6,502,774	$1,024	112.9%
Base	1,141	$413,712	$2,825,771	$1,166,469	$0	$3,992,240	$583	$4,405,951	$644	$6,503,854	$950	67.7%
QHDHP	517	$195,177	$1,522,305	$413,774	$0	$1,936,080	$624	$2,131,257	$687	$2,597,821	$838	82.0%
Adjustments			$11	$64		$75		$75				
Total	**2,716**	**$992,683**	**$9,286,123**	**$3,598,055**	**$0**	**$12,884,178**	**$791**	**$13,876,861**	**$852**	**$15,604,449**	**$958**	**88.9%**

D. Employee versus employer funding — By plan

		Total Funding (EE + ER)		Employee Funding			Employer Funding (Total Less Employee)		
	Subs	Total Funding	PSPM Funding	Employee Funding	PSPM Funding	% Employee Funding	Employer Funding	PSPM Funding	% Employer Funding
High	1,058	$6,502,774	$1,024	$2,691,093	$424	41.4%	$3,811,681	$600	58.6%
Base	1,141	$6,503,854	$950	$1,475,442	$216	22.7%	$5,028,412	$735	77.3%
QHDHP	517	$2,597,821	$838	$542,923	$175	20.9%	$2,054,898	$663	79.1%
Total	**2,716**	**$15,604,449**	**$958**	**$4,709,458**	**$289**	**30.2%**	**$10,894,991**	**$669**	**69.8%**

I. Cost Versus Funding

ABC Company

Plan Year: January 1, 2016 - December 31, 2016
6 Month Reporting Period: January 1, 2016 - June 30, 2016

E. Cost versus funding — By month

	Subs	Fixed Costs	Claims					Total Cost (Claims + Fixed)		Total Funding		Loss Ratio
			Medical Claims	Pharmacy Claims	> Specific Claims	Net Claims	PSPM Claims	Total Cost	PSPM Cost	Total Funding	PSPM Funding	
January 2016	2,722	$165,813	$1,225,499	$555,221	$0	$1,780,720	$654	$1,946,533	$715	$2,601,597	$956	74.8%
February 2016	2,720	$165,694	$1,145,013	$611,669	$0	$1,756,682	$646	$1,922,376	$707	$2,601,070	$956	73.9%
March 2016	2,719	$165,629	$1,531,552	$582,615	$0	$2,114,166	$778	$2,279,795	$838	$2,602,750	$957	87.6%
April 2016	2,719	$165,629	$1,718,657	$560,663	$0	$2,279,321	$838	$2,444,949	$899	$2,603,607	$958	93.9%
May 2016	2,715	$165,385	$1,758,537	$693,728	$0	$2,452,265	$903	$2,617,650	$964	$2,601,719	$958	100.6%
June 2016	2,701	$164,533	$1,906,865	$594,159	$0	$2,501,024	$926	$2,665,558	$987	$2,593,706	$960	102.8%
July 2016												
August 2016												
September 2016												
October 2016												
November 2016												
December 2016												
Total	**2,716**	**$992,683**	**$9,286,123**	**$3,598,055**	**$0**	**$12,884,178**	**$791**	**$13,876,861**	**$852**	**$15,604,449**	**$958**	**88.9%**

F. Employee versus employer funding — By month

	Subs	Total Funding (EE + ER)		Employee Funding			Employer Funding (Total Less Employee)		
		Total Funding	PSPM Funding	Employee Funding	PSPM Funding	% Employee Funding	Employer Funding	PSPM Funding	% Employer Funding
January 2016	2,722	$2,601,597	$956	$791,627	$291	30.4%	$1,809,970	$665	69.6%
February 2016	2,720	$2,601,070	$956	$788,933	$290	30.3%	$1,812,137	$666	69.7%
March 2016	2,719	$2,602,750	$957	$787,460	$290	30.3%	$1,815,291	$668	69.7%
April 2016	2,719	$2,603,607	$958	$784,932	$289	30.1%	$1,818,676	$669	69.9%
May 2016	2,715	$2,601,719	$958	$779,695	$287	30.0%	$1,822,025	$671	70.0%
June 2016	2,701	$2,593,706	$960	$776,812	$288	29.9%	$1,816,894	$673	70.1%
July 2016									
August 2016									
September 2016									
October 2016									
November 2016									
December 2016									
Total	**2,716**	**$15,604,449**	**$958**	**$4,709,458**	**$289**	**30.2%**	**$10,894,991**	**$669**	**69.8%**

II. High Cost Claimant Summary

ABC Company

Plan Year: January 1, 2016 - December 31, 2016
6 Month Reporting Period: January 1, 2016 - June 30, 2016

A. High cost claimants — Claimants Exceeding $100,000 (UHC claims only; Does not include Express Scripts claims)

	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16
Claimant 1 - QHDHP	$0	$0	$0	$185,800	$12,262	$10,578						
Cumulative = $208,639	*$0*	*$0*	*$0*	*$185,800*	*$198,061*	*$208,639*						
Claimant 2 - High	$0	$0	$0	$74	$169,490	$13,621						
Cumulative = $183,185	*$0*	*$0*	*$0*	*$74*	*$169,563*	*$183,185*						
Claimant 3 - Base	$1,022	$379	$10,821	$64,373	$49,472	$18,583						
Cumulative = $144,650	*$1,022*	*$1,401*	*$12,222*	*$76,595*	*$126,067*	*$144,650*						
Claimant 4 - QHDHP	$11,791	$26,770	$23,471	$24,719	$24,332	$24,770						
Cumulative = $135,852	*$11,791*	*$38,560*	*$62,031*	*$86,750*	*$111,082*	*$135,852*						
Claimant 5 - Base	$3,394	$5,330	$3,107	$2,107	$853	$107,896						
Cumulative = $122,686	*$3,394*	*$8,724*	*$11,831*	*$13,938*	*$14,791*	*$122,686*						
Claimant 6 - High	$41	$4,909	$13,704	$93,260	$2,516	$741						
Cumulative = $115,171	*$41*	*$4,950*	*$18,654*	*$111,914*	*$114,430*	*$115,171*						
Claimant 7 - High	$5,482	$30,731	$8,417	$49,600	$15,451	$2,100						
Cumulative = $111,781	*$5,482*	*$36,213*	*$44,630*	*$94,230*	*$109,681*	*$111,781*						
Claimant 8 - QHDHP	$0	$0	$0	$0	$9	$105,149						
Cumulative = $105,158	*$0*	*$0*	*$0*	*$0*	*$9*	*$105,158*						
Claimant 9 - High	$9,804	$11,928	$14,669	$27,741	$13,148	$22,795						
Cumulative = $100,086	*$9,804*	*$21,733*	*$36,402*	*$64,143*	*$77,291*	*$100,086*						

Month represents the month claims were paid, not the month they were incurred. There is generally a one to two month lag between when claims are incurred and when they are paid.

III. Enrollment and Funding Details

ABC Company

Plan Year: January 1, 2016 - December 31, 2016
6 Month Reporting Period: January 1, 2016 - June 30, 2016

A. Enrollment and funding — By classification

Average Enrollment

	Single Sub	Sub + Spouse	Sub + 1 Child	Sub + 2+ Children	Sub + Spouse + 1 Child	Sub + Spouse + 2+ Children	Average Subs	Average Members
High Active	463	87	56	104	40	75	825	1,504
Base Active	524	82	77	142	78	145	1,048	2,220
QHDHP Active	206	32	33	62	51	95	478	1,156
High Retiree <65 / Cobra	149	33	4	7	2	3	197	255
Base Retiree <65 / Cobra	46	23	3	6	3	6	87	141
QHDHP Retiree <65 / Cobra	23	9	1	2	1	2	38	57
High Retiree >65	30	4	1	1	0	0	36	42
Base Retiree >65	3	2	0	0	0	1	6	8
QHDHP Retiree >65	1	0	0	0	0	0	1	1
Total	**1,444**	**271**	**175**	**325**	**176**	**326**	**2,716**	**5,384**

Funding Rates / *Funding*

	Single Sub	Sub + Spouse	Sub + 1 Child	Sub + 2+ Children	Sub + Spouse + 1 Child	Sub + Spouse + 2+ Children	Total Funding	PSPM Funding
High Active	$730.00	$1,360.00	$1,070.00	$1,380.00	$1,700.00	$2,000.00	$5,267,328	$1,064
Base Active	$640.00	$1,130.00	$880.00	$1,130.00	$1,370.00	$1,630.00	$5,996,929	$954
QHDHP Active	$520.00	$900.00	$710.00	$920.00	$1,150.00	$1,390.00	$2,435,596	$850
High Retiree <65 / Cobra	$730.00	$1,360.00	$1,070.00	$1,380.00	$1,700.00	$2,000.00	$1,056,148	$893
Base Retiree <65 / Cobra	$640.00	$1,130.00	$880.00	$1,130.00	$1,370.00	$1,630.00	$472,611	$905
QHDHP Retiree <65 / Cobra	$520.00	$900.00	$710.00	$920.00	$1,150.00	$1,390.00	$158,065	$699
High Retiree >65	$730.00	$1,360.00	$1,070.00	$1,380.00	$1,700.00	$2,000.00	$179,298	$830
Base Retiree >65	$640.00	$1,130.00	$880.00	$1,130.00	$1,370.00	$1,630.00	$34,314	$953
QHDHP Retiree >65	$520.00	$900.00	$710.00	$920.00	$1,150.00	$1,390.00	$4,160	$520
Total							**$15,604,449**	**$958**

ABC Company

Medical and Pharmacy Funding Rate Projection For a January 1, 2017 Effective Date

— Summary —

1. Enrollment Snap Shot (June 2016)

	Premium	Base	HDHP	Total
E	630	569	226	1,425
ES	123	104	40	267
EC(1)	61	80	35	176
EC(2+)	114	149	65	328
ESC(1)	42	83	52	177
ESC(2+)	78	154	96	328
Total	1,048	1,139	514	2,701
	39%	42%	19%	

2. Current 2016 Premium Equivalent Rates

	Premium	Base	HDHP	
E	$730.00	$640.00	$520.00	
ES	$1,360.00	$1,130.00	$900.00	
EC(1)	$1,070.00	$880.00	$710.00	
EC(2+)	$1,380.00	$1,130.00	$920.00	
ESC(1)	$1,700.00	$1,370.00	$1,150.00	
ESC(2+)	$2,000.00	$1,630.00	$1,390.00	
Total Monthly:	$1,077,170	$1,085,180	$431,410	
Grand Total Monthly:		$2,593,760		*(Excluding HSA)*
Annual:		$31,125,120		

3. Rate Action with No Plan Changes

Expected:	1.66%
Low End of Expected:	-3.34%
High End of Expected:	6.66%
Very High End:	20.59%

4. Renewal With No Plan Changes

	Premium	Base	HDHP
E	$743.00	$651.00	$529.00
ES	$1,383.00	$1,149.00	$915.00
EC(1)	$1,088.00	$895.00	$722.00
EC(2+)	$1,403.00	$1,149.00	$936.00
ESC(1)	$1,729.00	$1,393.00	$1,170.00
ESC(2+)	$2,034.00	$1,658.00	$1,414.00
Total Monthly:	$1,095,779	$1,103,667	$438,848
Grand Total Monthly:		$2,638,294	
Annual:		$31,659,528	
Increase %:		1.72%	

5. Fixed Costs as a % of Expected Funding Rates

Administration	4.33%	
Stop Loss	2.58%	
Contribution to Reserve	0.00%	*(Renewal rates do not include a contribution to the reserve)*
Total:	6.91%	
Portion for Claims	93.09%	

ABC Company

Medical and Pharmacy Funding Rate Projection For a January 1, 2017 Effective Date

— Medical Claims Projection —

1. Objective Develop funding rates which cover all medical paid claims and associated administrative expenses for the plan year beginning January 1, 2017.

2. Assumptions

a.	Effective Date:	January 1, 2017	h.	Benefit Changes:	0.0%	*(Prospective adjustment)*
b.	Experience:	Per UnitedHealthcare experience reports			-1.9%	*(Adj. to experience period 1)*
					-3.3%	*(Adj to experience period 2)*
c.	Enrollment:	Lagged one month	i.	Other $ Load:	$0	
d.	Current Enrollment:	2,701		Chronic Load:	$0	
e.	Medical Trend:	6.0%	j.	Claim Fluctuation Margin:	0.0%	
f.	ISL Deductible:	$300,000				
g.	Aggregating Deductible:	$125,000				

3. Algorithm

		Experience Period 1	Experience Period 2
a.	Paid Claims Period:	7/2015 - 6/2016	7/2014 - 6/2015
b.	Approximate Incurred Claims Period:	6/2015 - 5/2016	6/2014 - 5/2015
c.	Midpoint of Experience Period:	12/1/2015	12/1/2014
d.	Midpoint of Projection Period:	7/1/2017	7/1/2017
e.	Months of Trend:	19	31
f.	Average Subscribers:	2,718	2,749
g.	Medical Paid Claims:	$20,304,717	$21,410,955
h.	Pooled Claims: *Experience Period 1 =* 1 *Experience Period 2 =* 6	$442,611	$2,785,586
i.	Adjusted Paid Claims (g less h):	$19,862,106	$18,625,369
j.	Change in Reserve (Lagged Claims):	1.000	1.000
k.	Network Change:	1.000	1.000
l.	Adjusted Paid Claims (i x j x k):	$19,862,106	$18,625,369
m.	Trend Adjustment Factor:	1.097	1.162
n.	Trended Adjusted Paid Claims (l x m):	$21,781,758	$21,651,020
o.	Add in Individual Claims to Pooled Level:	$425,000	$1,925,000
p.	Plan Change Adjustment Factor (See Assumption h):	0.981	0.967
q.	Enrollment Change Adjustment Factor:	0.994	0.982
r.	Chronic Health Conditions Adjustment and Other $ Adjustments:	$0	$0
s.	Projected Experience Paid Claims [(n + o) x p x q + r]:	$21,646,318	$22,403,253
t.	Claim Fluctuation Margin:	1.00	1.00
u.	Projected Experience Paid Claims with Margin (s x t):	$21,646,318	$22,403,253
v.	Claim Rate: PEPM:	$667.85	$691.20
	Total Monthly:	$1,803,860	$1,866,938
	Total Annual:	$21,646,318	$22,403,253
	Credibility:	80%	20%
	Blended Rate (PEPM):	$672.52	

ABC Company

Medical and Pharmacy Funding Rate Projection For a January 1, 2017 Effective Date

— Pharmacy Claims Projection —

1. Objective Develop funding rates which cover all pharmacy paid claims and associated administrative expenses for the plan year beginning January 1, 2017.

2. Assumptions

a.	Effective Date:	January 1, 2017	h.	Benefit Changes:	0.0%	*(Prospective adjustment)*
b.	Experience:	Per UnitedHealthcare and Express Scripts experience reports			0.0%	*(Adj. to experience period 1)*
					0.0%	*(Adj to experience period 2)*
c.	Enrollment:	Lagged one month	i.	Rx Management Savings:	($433,000)	
d.	Current Enrollment:	2,701		Chronic Load:	$0	
e.	Rx Trend:	10.0%	j.	Claim Fluctuation Margin:	0.0%	

3. Algorithm

		Experience Period 1	Experience Period 2
a.	Paid Claims Period:	7/2015 - 6/2016	7/2014 - 6/2015
b.	Approximate Incurred Claims Period:	6/2015 - 5/2016	6/2014 - 5/2015
c.	Midpoint of Experience Period:	12/1/2015	12/1/2014
d.	Midpoint of Projection Period:	7/1/2017	7/1/2017
e.	Months of Trend:	19	31
f.	Average Subscribers:	2,718	2,749
g.	Pharmacy Paid Claims:	$7,054,948	$6,238,800
h.	Pooled Claims:	$0	$0
i.	Adjusted Paid Claims (g less h):	$7,054,948	$6,238,800
j.	Change in Reserve (Lagged Claims):	1.000	1.000
k.	Network Change:	1.000	1.000
l.	Adjusted Paid Claims (i x j x k):	$7,054,948	$6,238,800
m.	Trend Adjustment Factor:	1.163	1.279
n.	Trended Adjusted Paid Claims (l x m):	$8,204,125	$7,980,538
o.	Add in Individual Claims to Pooled Level:	$0	$0
p.	Plan Change Adjustment Factor (See Assumption h):	1.000	1.000
q.	Enrollment Change Adjustment Factor:	0.994	0.982
r.	Chronic Health Conditions Adjustment and Other $ Adjustments:	($433,000)	($433,000)
s.	Projected Experience Paid Claims [(n + o) x p x q + r]:	$7,720,061	$7,407,715
t.	Claim Fluctuation Margin:	1.00	1.00
u.	Projected Experience Paid Claims with Margin (s x t):	$7,720,061	$7,407,715
v.	Claim Rate: PEPM:	$238.19	$228.55
	Total Monthly:	$643,338	$617,310
	Total Annual:	$7,720,061	$7,407,715
	Credibility:	80%	20%
	Blended Rate (PEPM):	$236.26	

ABC Company

Medical and Pharmacy Funding Rate Projection For a January 1, 2017 Effective Date
— Premium Equivalent Rate Change —

a. Current Enrollment (June 2016)

	Premium	Base	HDHP	Total
Employee Only	630	569	226	1,425
Employee + Spouse	123	104	40	267
Employee + 1 Child	61	80	35	176
Employee + 2 or More Children	114	149	65	328
Employee + Spouse + 1 Child	42	83	52	177
Employee + Spouse + 2 or More Children	78	154	96	328
Total	1,048	1,139	514	2,701

b. Current Premium Equivalent Rates

	Premium	Base	HDHP
Employee Only	$730.00	$640.00	$520.00
Employee + Spouse	$1,360.00	$1,130.00	$900.00
Employee + 1 Child	$1,070.00	$880.00	$710.00
Employee + 2 or More Children	$1,380.00	$1,130.00	$920.00
Employee + Spouse + 1 Child	$1,700.00	$1,370.00	$1,150.00
Employee + Spouse + 2 or More Children	$2,000.00	$1,630.00	$1,390.00

c. Total Current Funding

	Premium	Base	HDHP	Total
Employee Only	$459,900	$364,160	$117,520	
Employee + Spouse	$167,280	$117,520	$36,000	
Employee + 1 Child	$65,270	$70,400	$24,850	
Employee + 2 or More Children	$157,320	$168,370	$59,800	
Employee + Spouse + 1 Child	$71,400	$113,710	$59,800	
Employee + Spouse + 2 or More Children	$156,000	$251,020	$133,440	
Total	$1,077,170	$1,085,180	$431,410	$2,593,760

PEPM Premium Rates:	$960.30
Total Monthly:	$2,593,760
Total Annual:	$31,125,120

d. Percent Change in Funding Rates

Current PEPM Funding Rate:	$960.30
Projected PEPM Funding Rate:	$976.24
Recommended Rate Action:	**1.66%**
Used Rate Action:	**1.66%**

	Med Proj	Rx Proj	Admin	Stop Loss
	$672.52	$236.26	$42.30	$25.16
% of Total:	68.89%	24.20%	4.33%	2.58%
	$908.78			
% of Total:	93.09%			

e. **Estimated 2017 Premium Equivalent Rates**

	Premium	Base	HDHP
Employee Only	$743.00	$651.00	$529.00
Employee + Spouse	$1,383.00	$1,149.00	$915.00
Employee + 1 Child	$1,088.00	$895.00	$722.00
Employee + 2 or More Children	$1,403.00	$1,149.00	$936.00
Employee + Spouse + 1 Child	$1,729.00	$1,393.00	$1,170.00
Employee + Spouse + 2 or More Children	$2,034.00	$1,658.00	$1,414.00

Rates have been rounded up to the nearest dollar.

Renewal Monthly Funding:	$1,095,779	$1,103,667	$438,848
Total Monthly:		$2,638,294	
Annual Funding:		$31,659,528	
Increase:		1.72%	

ABC Company

Medical and Pharmacy Funding Rate Projection For a January 1, 2017 Effective Date
— Fixed Cost Summary —

Estimated Fixed Costs			
	2016	2017	Estimated % Change
Enrollment	2,701	2,701	
Administration Cost	$40.60	$41.80	3.0%
CBIZ Commission	$0.50	$0.50	0.0%
Individual Stop Loss	$20.32	$25.16	23.8%
Paid, $300,000 w/ $125,000 aggregating ISL			
Aggregate Stop Loss	None	None	
Total Fixed Costs	$61.42	$67.46	9.8%
Annual	**$1,990,745**	**$2,186,514**	**9.8%**

Estimated ACA Fees			
Reinsurance Transfer Fee		**PCORI Fee**[1]	
Not applicable after 2016		**PMPY Fee**	$2.25
		Members	5,383
		Annual	$12,112
PEPM	**$0.00**	**PEPM**	**$0.37**

[1] *Assume ERISA, thus PCORI fees have been excluded from premium equivalent rates*

ABC Company

Medical and Pharmacy Funding Rate Projection For a January 1, 2017 Effective Date

— Claims and Plan Data —

1. Claims and Enrollment Experience

Paid claims basis (Assume one month lag)

Month	Subscribers	Members	Member to Sub Ratio	(UHC) Medical Claims	(UHC + ESI) Pharmacy Claims	Total Claims	*Lagged 1 Month* Claims PSPM	
Jun-14	2,779	5,293	1.90					
Jul-14	2,750	5,257	1.91	$1,804,754	$571,528	$2,376,281	$855.08	
Aug-14	2,786	5,301	1.90	$2,185,193	$480,431	$2,665,625	$969.32	
Sep-14	2,765	5,294	1.91	$1,829,198	$488,614	$2,317,812	$831.95	
Oct-14	2,772	5,335	1.92	$1,835,723	$517,116	$2,352,839	$850.94	
Nov-14	2,777	5,331	1.92	$1,540,026	$528,174	$2,068,200	$746.10	
Dec-14	2,773	5,337	1.92	$2,093,619	$562,806	$2,656,425	$956.58	
Jan-15	2,727	5,325	1.95	$1,524,126	$531,393	$2,055,519	$741.26	
Feb-15	2,719	5,315	1.95	$1,398,770	$405,396	$1,804,166	$661.59	
Mar-15	2,719	5,315	1.95	$1,686,698	$480,680	$2,167,378	$797.12	
Apr-15	2,713	5,321	1.96	$2,059,721	$599,711	$2,659,431	$978.09	
May-15	2,710	5,327	1.97	$1,691,698	$551,775	$2,243,473	$826.93	
Jun-15	2,698	5,315	1.97	$1,761,430	$521,177	$2,282,607	$842.29	
Jul-15	2,694	5,317	1.97	$1,480,903	$546,898	$2,027,802	$751.59	
Aug-15	2,725	5,354	1.96	$1,803,035	$629,096	$2,432,131	$902.80	
Sep-15	2,716	5,343	1.97	$1,891,350	$563,590	$2,454,940	$900.90	
Oct-15	2,728	5,352	1.96	$2,103,705	$595,668	$2,699,373	$993.88	
Nov-15	2,731	5,361	1.96	$1,932,997	$520,388	$2,453,385	$899.33	
Dec-15	2,728	5,359	1.96	$1,806,603	$601,254	$2,407,857	$881.68	
Jan-16	2,722	5,370	1.97	$1,225,499	$555,221	$1,780,720	$652.76	
Feb-16	2,720	5,372	1.98	$1,145,013	$611,669	$1,756,682	$645.36	
Mar-16	2,719	5,384	1.98	$1,531,552	$582,615	$2,114,166	$777.27	
Apr-16	2,719	5,401	1.99	$1,718,657	$560,663	$2,279,321	$838.29	
May-16	2,715	5,394	1.99	$1,758,537	$693,728	$2,452,265	$901.90	
Jun-16	2,701	5,383	1.99	$1,906,865	$594,159	$2,501,024	$921.19	
Total								
Current	32,615	64,322	1.97	$20,304,717	$7,054,948	$27,359,666	$838.87	
Prior	32,990	63,751	1.93	$21,410,955	$6,238,800	$27,649,755	$838.13	
PSPM								
Current	2,718	5,360	1.97	$622.56	$216.31	$838.87	* Adjusted =	$838.33
Prior	2,749	5,313	1.93	$649.01	$189.11	$838.13	* Adjusted =	$812.04
% Change	-1.1%	0.9%	2.1%	-4.1%	14.4%	0.1%		3.2%

* Adjusted for large claimants above $300,000 and an aggregating deductible of $125,000

2. High Cost Claimant History

A. Current experience period: July 1, 2015 through June 30, 2016

UHC claims only, Express Scripts claims not included

Claimant	Paid Amount	Notes	Active/ Termed	6.0% Trend Factor	Trended Paid Amount	$300,000 Excess Over ISL Deductible	$125,000 Claims Over ISL Deductible	Count	Paid Amount
1	$442,611		N/A	1.097	$485,389	$185,389	$485,389	1	$442,611
2	$256,237		N/A	1.097	$281,003	$0	$0	0	$0
3	$252,866		N/A	1.097	$277,305	$0	$0	0	$0
4	$251,862		N/A	1.097	$276,204	$0	$0	0	$0
5	$239,769		N/A	1.097	$262,943	$0	$0	0	$0
6	$213,015		N/A	1.097	$233,603	$0	$0	0	$0
7	$210,530		N/A	1.097	$230,878	$0	$0	0	$0
8	$208,639		N/A	1.097	$228,804	$0	$0	0	$0
9	$195,478		N/A	1.097	$214,370	$0	$0	0	$0
10	$184,221		N/A	1.097	$202,026	$0	$0	0	$0
11	$183,185		N/A	1.097	$200,889	$0	$0	0	$0
12	$181,907		N/A	1.097	$199,488	$0	$0	0	$0
Total Current									
	$2,820,320				$3,092,901	$185,389	$485,389	1	$442,611

B. Prior experience period: July 1, 2014 through June 30, 2015

UHC claims only, Express Scripts claims not included

				6.0%		$300,000	$125,000		
Claimant	Paid Amount	Notes	Active/ Termed	Trend Factor	Trended Paid Amount	Excess Over ISL Deductible	Claims Over ISL Deductible	Count	Paid Amount
1	$715,781		N/A	1.162	$832,058	$532,058	$832,058	1	$715,781
2	$646,104		N/A	1.162	$751,062	$451,062	$751,062	1	$646,104
3	$427,964		N/A	1.162	$497,486	$197,486	$497,486	1	$427,964
4	$358,308		N/A	1.162	$416,514	$116,514	$416,514	1	$358,308
5	$329,323		N/A	1.162	$382,821	$82,821	$382,821	1	$329,323
6	$308,106		N/A	1.162	$358,157	$58,157	$358,157	1	$308,106
7	$242,657		N/A	1.162	$282,077	$0	$0	0	$0
8	$212,769		N/A	1.162	$247,333	$0	$0	0	$0
9	$198,944		N/A	1.162	$231,262	$0	$0	0	$0
10	$197,056		N/A	1.162	$229,068	$0	$0	0	$0
11	$179,110		N/A	1.162	$208,206	$0	$0	0	$0
12	$178,911		N/A	1.162	$207,975	$0	$0	0	$0
Total Prior									
	$3,995,034				$4,644,018	$1,438,098	$3,238,098	6	$2,785,586

3. Premium Equivalent Rate History

A. January 1, 2016 through December 31, 2016

	Premium	Base	HDHP				
Employee Only	$730.00	$640.00	$520.00				
Employee + Spouse	$1,360.00	$1,130.00	$900.00				
Employee + 1 Child	$1,070.00	$880.00	$710.00				
Employee + 2 or More Children	$1,380.00	$1,130.00	$920.00				
Employee + Spouse + 1 Child	$1,700.00	$1,370.00	$1,150.00				
Employee + Spouse + 2 or More Children	$2,000.00	$1,630.00	$1,390.00				
% Increase - Employee Only rate	*5.8%*	*4.9%*	*8.3%*				

B. January 1, 2015 through December 31, 2015

	Premium	Base	HDHP				
Employee Only	$690.00	$610.00	$480.00				
Employee + Spouse	$1,280.00	$1,090.00	$860.00				
Employee + 1 Child	$1,010.00	$840.00	$670.00				
Employee + 2 or More Children	$1,300.00	$1,090.00	$880.00				
Employee + Spouse + 1 Child	$1,600.00	$1,320.00	$1,100.00				
Employee + Spouse + 2 or More Children	$1,890.00	$1,580.00	$1,340.00				

4. Plan Benefit Summary History

A. January 1, 2016 through December 31, 2016

	Premium	Base	HDHP				
	In network	In network	In network				
Deductible	$500 2x	$650 2x	$2600 2x				
Coinsurance	100%	90%	100%				
Out of pocket maximum	$1500 2x	$2000 2x	$2600 2x				
Primary office visit	$20	$25	Ded, then 100%				
Specialist office visit	$30	$50	Ded, then 100%				
Urgent care visit	$50	$75	Ded, then 100%				
Emergency room visit	$150	$200	Ded, then 100%				
Pharmacy	$12/$35/$55	$12/$40/$60	Ded, then 100%				
Actuarial plan value	0.881	0.845	0.766				

B. January 1, 2015 through December 31, 2015

	Premium	Base	HDHP				
	In network	In network	In network				
Deductible	$300 2x	$500 2x	$2500 2x				
Coinsurance	100%	90%	100%				
Out of pocket maximum	$900 2x	$1500 2x	$2500 2x				
Primary office visit	$20	$25	Ded, then 100%				
Specialist office visit	$30	$40	Ded, then 100%				
Urgent care visit	$50	$75	Ded, then 100%				
Emergency room visit	$150	$200	Ded, then 100%				
Pharmacy	$12/$35/$55	$12/$40/$60	Ded, then 100%				
Actuarial plan value	0.909	0.867	0.772				

Client Name - PCORI Fee Worksheet

Effective for plan years ending on or after 10/1/12 and before 10/1/19 (i.e., beginning with 2012 plan year for calendar year plans), health insurance issuers and plan sponsors of self-funded health plans are required to pay an excise tax to fund the Patient Centered Outcomes Research Institute - often referred to as the "PCORI fee." The fee is calculated based on the average number of lives covered under the plan (including employees, dependents, COBRA participants, and covered retirees) and is due by July 31 following the end of each applicable year.

Methods for determining the fee

Below is a worksheet outlining the calculation methods for 3 of the options available.
Plan sponsors must choose one method to be used for the entire plan year, however a different method may be chosen for subsequent plan years.

Method 1 - Actual Count Method

A.	Total lives covered for the entire year	25116
B.	Number of months	12
C.	Average Lives (A/B)	2093.00
D.	2015 Fee	$2.17
E.	**Total Fee Due (amount remitted to IRS on Form 720)**	**$4,541.81**

Method 2 - Snapshot Count Method

A.	Jan-15 1st of the month Number of lives	2097
B.	Apr-15 1st of the month Number of lives	2081
C.	Jul-15 1st of the month Number of lives	2102
D.	Oct-15 1st of the month Number of lives	2090
E.	Sum of all 4 quarters	8370
F.	Number of counts	4
G.	Average lives (E/F)	2092.50
H.	2015 Fee	$2.17
I.	**Total Fee Due (amount remitted to IRS on Form 720)**	**$4,540.73**

Client Name - PCORI Fee Worksheet - page 2

Method 3 - Snapshot Factor Method

A.	Jan-15	1st of the month	
	Number of subscribers with self only-coverage (a)		373
	Number of subscribers with other than self-only coverage (b)		564
	Number of lives (a+(b*2.35))		1698.40
B.	Apr-15	1st of the month	
	Number of subscribers with self only-coverage (a)		365
	Number of subscribers with other than self-only coverage (b)		562
	Number of lives (a+(b*2.35))		1685.70
C.	Jul-15	1st of the month	
	Number of subscribers with self only-coverage (a)		357
	Number of subscribers with other than self-only coverage (b)		574
	Number of lives (a+(b*2.35))		1705.90
D.	Oct-15	1st of the month	
	Number of subscribers with self only-coverage (a)		358
	Number of subscribers with other than self-only coverage (b)		573
	Number of lives (a+(b*2.35))		1704.55
E.	Sum of all 4 quarters		6794.55
F.	Number of counts		4
G.	Average lives (E/F)		1698.64
H.	2015 Fee		$2.17
I.	**Total Fee Due (amount remitted to IRS on Form 720)**		**$3,686.04**

Employers need to complete:

- Company infomration and quarter ending June 2016
- Part II, IRS No. 133
  - Column (a) - enter "Avg number of lives covered for self-insured health plans" in row 9c) or (d), depending on end of plan year
  - Column (b) - $2.08 or $2.17 in row (c) or (d), depending on end of plan year
  - Column (c) - enter total Fee (lives x $)
  - Tax Column - enter the amount of the fee (from Column (c))
- Part II, Line 2 - enter Total Tax (from Tax column on No. 133)
- Part III, Line 3 - enter Total Tax (from part II, Line 2)
- Part III, Line 10 - enter Balance Due (from Part III, Line 3)
- Signature section
- Payment voucher with "2nd Quarter" checked or file and pay electronically
  - If filing by mail, send the form, payment voucher and check to:

    Department of the Treasury
    Internal Revenue Service
    Cincinnati, OH 45999-0009

Client Name - Transitional Reinsurance Fee Worksheet

The transitional reinsurance program was designed to help stabilize premiums in the individual market, both inside and outside the ACA's public marketplaces. Insurers and sponsors of self-insured group health plans must make contributions to the program for the 2014, 2015 and 2016 calendar years.
The fees are $63 per covered life for 2014, $44 per covered life for 2015 and $27 per covered life for 2016. Plan sponsors submit covered lives data and make payments through pay.gov. Submission is due by November 15th.

Methods for determining the fee

Below is a worksheet outlining the calculation methods for 3 of the options available.
Plan sponsors must choose one method to be used for the entire plan year, however a different method may be chosen for subsequent plan years.

Method 1 - Actual Count Method

A.	Total lives covered for the first 9 months of 2016	17066
B.	Number of months	9
C.	Average Lives (A/B)	1896.22
D.	2016 Fee	$27.00
E.	**Total Fee Due (amount remitted via Pay.gov)**	**$51,198.00**

Method 2 - Snapshot Count Method

A.	Jan-16 1st of the month Number of lives	1931
B.	Apr-16 1st of the month Number of lives	1949
C.	Jul-16 1st of the month Number of lives	1831
D.	Sum of all 3 quarters	5711
E.	Number of counts	3
F.	Average lives (E/F)	1903.67
G.	2016 Fee	$27.00
H.	**Total Fee Due (amount remitted via Pay.gov)**	**$51,399.00**

Method 3 - Snapshot Factor Method

A.	Jan-16 1st of the month	
	Number of subscribers with self only-coverage (a)	356
	Number of subscribers with other than self-only coverage (b)	532
	Number of lives (a+(b*2.35))	1606.20
B.	Apr-16 1st of the month	
	Number of subscribers with self only-coverage (a)	355
	Number of subscribers with other than self-only coverage (b)	539
	Number of lives (a+(b*2.35))	1621.65
C.	Jul-16 1st of the month	
	Number of subscribers with self only-coverage (a)	316
	Number of subscribers with other than self-only coverage (b)	507
	Number of lives (a+(b*2.35))	1507.45
E.	Sum of all 3 quarters	4735.30
F.	Number of counts	3
G.	Average lives (E/F)	1578.43
H.	2016 Fee	$27.00
I.	**Total Fee Due (amount remitted via Pay.gov)**	**$42,617.70**

2016 Key Deadlines

- Submit form and schedule full payment by November 15, 2016
- No later than January 17, 2017, pay full amount due (single payment)

OR

- Submit form and schedule payment for first collection contribution and duplicate the form and schedule payment of second collection.
- No later than January 17, 2017, pay first contribution amount ($21.60)
- No later than November 15, 2017, pay second contribution amount ($5.40)

How to Make a Reinsurance Contribution

1. Calculate the number of covered lives in their major medical plans.
2. Register on Pay.gov or confirm your password if you registered for the previous benefit years of the program.
3. Access the **2016 ACA Transitional Reinsurance Program Annual Enrollment and Contributions Submission Form.**
4. Complete the Form (which includes providing Contributing Entity information when reporting for three or fewer Contributing Entities and entering your annual enrollment count).
5. Upload Supporting Documentation only when reporting for four or more Contributing Entities.
6. Schedule your payment date for calculated contributions on the payment page.

CBIZ Employee Communications

PERSONALIZED WITH
YOUR COMPANY LOGO

2016-2017 Employee Benefits Guide

Helping You Become A Better You.

The purpose of this booklet is to describe the highlights of your benefit program. Your specific rights to benefits under the Plans are governed solely, and in every respect, by the official Plan documents and insurance contracts, and not by this booklet. If there is any discrepancy between the description of the Plans as described in this material and official Plan documents, the language of the documents shall govern.

Table of Contents

Contact Information

[COMPANY NAME] in partnership with the following carriers, strives to meet your benefit needs. If you have any questions regarding your benefits, please contact the corresponding carrier listed below or your [COMPANY NAME] human resources representative.

Contact Information		
Vendors	**Phone Number**	**Website**
Medical: ***UnitedHealthcare*** Group Number:	877.844.4999	**myuhc.com**
Dental: ***MetLife*** Group Number:	800.438.6388	**metlife.com**
Vision: ***EyeMed*** Group Number:	866.939.3633	**eyemed.com**
Basic Life & AD&D, Voluntary Life & AD&D, Dependent Life, Short-Term Disability and Long-Term Disability: ***Mutual of Omaha*** Group Number:	800-369-3809	**mutualofomaha.com**
Virtual Benefits: ***Call-A-Doctor Plus***	800-835-2362	**teladoc.com**
Flexible Spending Accounts: ***CBIZ***	800-815-3023	**myplans.cbiz.com**
Benefits Team	**Phone**	**Email**
CBIZ Benefits & Insurance Services: ***Asha Kuhn, Senior Account Manager*** ***Eric File, Senior Account Executive***	800.844.4510 314.692.5846 314.692.5848	**akuhn@cbiz.com** **efile@cbiz.com**

Medical Insurance

Understanding Your Health Plan Options

As an employee of [COMPANY NAME] you have the choice between two medical plan options. Regardless of the plan you choose to elect, the deductible will run on a calendar year basis (January 1—December 31). These options are re-evaluated every year and are effective each February 1st. You have the choice of a Traditional PPO and an HSA Qualified High Deductible Health Plan.

While each plan gives you the option of using out-of-network providers, it is to your advantage to use in-network providers because UnitedHealthcare has negotiated significant discounts with in-network providers. If you choose to go out-of-network, you will be responsible for the difference between the actual charge and UnitedHealthcare's UCR (Usual, Customary and Reasonable) charge for the service or procedure plus any deductible and coinsurance associated with your service or procedure.

The major advantage the Qualified High Deductible Health Plan has over the Traditional PPO Plan is the Qualified High Deductible Health Plan offers you significantly lower premiums than the PPO Plan. You can establish a Health Savings Account (HSA) banking arrangement with a bank of your choice and contribute all or part of the premium savings into the HSA. The HSA can be used to cover medical expenses including deductibles. These funds are yours forever even if you leave [COMPANY NAME]. They are not forfeited at the end of the year.

The HSA Qualified Plan offers several benefits:

- Lower premium contributions and potential maximum out of pocket expenses.
- Routine preventive exams are covered at 100%.
- Catastrophic coverage.
- The HSA banking arrangement is owned by the employee.
- This type of arrangement offers you more control over your health care dollars.

Get the most out of your insurance by using in-network providers.

✓ Frequently Asked Questions

How many hours per week must I work to be eligible for the insurance benefits?

✓ You must be a full-time employee working a minimum of 30 hours per week on a regular basis.

Will I receive a Medical ID card?

✓ You will receive an ID card in the mail if you are electing medical coverage.

Does the deductible run on a calendar year or policy year basis?

✓ The deductible runs on a calendar year basis.

When will my benefits become effective?

✓ Your medical benefits insurance will begin on the first of the month following thirty (30) days of employment for regular full-time employees.

How long can I cover my dependent children?

✓ Dependent children are eligible until the end of the month in which they turn age 26.

The traditional plan may be for you if:

- You are not interested in establishing a Health Savings Account.
- You would rather pay more in monthly premiums and less on medical expenses when they occur.
- You expect to incur medical expenses at the beginning of the year and don't have the resources to pay for them.

Understanding Health Savings Accounts (HSA)

What is an HSA?

A savings account set up by either you or your company where you can either direct pre-tax payroll deductions or deposit money to be used by you to pay for current or future medical expenses for you and/or your dependents. Once money goes into the account, it's yours forever - the HSA is in your name, just like a personal checking or savings account.

What rules must I follow?

- You must be covered under a Q*ualified High Deductible Health Plan (QHDHP)* in order to establish an HSA.
- You cannot establish an HSA if you or your spouse also have a medical *flexible* spending account (FSA), unless it is a Limited Purpose FSA.
- You cannot set up an HSA if you have insurance coverage under another plan, for example your spouse's employer, unless that secondary coverage is also a qualified high deductible health plan.
- You cannot be enrolled to Medicare or Tricare due to age or disability.
- You cannot be claimed as a dependent under someone else's tax return.

What else do I need to know?

- Contributions are based on a calendar year. The contribution limits for 2016 are $3,350 for Single and $6,750 for Family coverage. You cannot put more than this amount in the account; you can put less.
- The contributions grow tax-free and come out tax-free as long as you utilize the funds for approved services based on the IRS Publication 502, (medical, dental, vision and over-the-counter medications with a physician's prescription).
- Your unused contributions roll over from year to year and can be taken with you if you leave your current job.
- If you use the money for non-qualified expenses, then the money becomes taxable and subject to a 20% excise tax penalty (like in an IRA account).
- There is no penalty for distributions following death, disability (as defined in IRC 72), or attainment of Medicare eligibility age, but taxes would apply for non-qualified distributions.

Another advantage is that your account can grow over time.

Since the money always belongs to you, even if you leave the company, any unused funds carry over from year to year, you never have to worry about losing your money. That means if you don't use a lot of healthcare services now, your HSA funds will be there if you need them in the future – even after retirement.

The HSA is also an investment opportunity.

With an HSA, your account can grow tax-free in an interest-bearing savings account, a money market account, a wide variety of mutual funds – or all three. Of course, your funds are always available if you need them for qualified healthcare expenses.

Generally, you can put enough in your HSA to cover your entire deductible.

The Qualified High Deductible Health Plan helps you pay for healthcare AFTER you meet the deductible. The annual contribution limit is based on IRS rules. In general, the total amount that goes in your account each year cannot be more than the IRS annual contribution limit. If you're age 55 or older, you are allowed to make extra contributions each year.

You can spend only the money that is actually in your HSA.

If your healthcare expenses are more than your HSA balance, you need to pay the remaining cost another way, such as cash or personal check. You can request reimbursement after you have accumulated more money.

You can use your HSA for your spouse and dependents – even if they are not covered by your High Deductible Health Plan.

You can use HSA funds for IRS-approved items such as…

- Doctor's office visits
- Dental services
- Eye exams, eyeglasses, contact lenses and solution, and laser surgery
- Hearing aids
- Orthodontia, dental cleanings, and fillings
- Prescription drugs and some over-the-counter medications, with a physician's prescription
- Physical therapy, speech therapy, and chiropractic expenses

More information about approved items, plus additional details about the HSA, is available on the IRS Website at **irs.gov**.

Every time you use your HSA, save your receipt in case the IRS asks you to prove your claim was for a qualified expense. If you use HSA funds for a non-qualified expense, you will pay tax and a penalty on the ineligible amount.

The HSA is your personal account and contains your personal funds. It can be considered an asset by a creditor and garnished as applicable.

As an HSA account holder, you will be required to file a Form 8889 with the IRS each year. This form identifies any contributions, distributions, or earned interest associated with the account.

This may be the plan option for you if:

- You do not incur a lot of medical and prescription medication expenses.
- You would like money in a savings account to pay for Qualified Expenses permitted under Federal Law.
- You would like the opportunity to contribute pre-tax to a Health Savings Account.

✓ Frequently Asked Questions

What will I pay at the pharmacy with the HSA qualified plan options?

✓ You will pay the actual discounted cost of the drug until you satisfy your calendar year deductible in full, then your pharmacy copays will apply.

What will I pay at the physician's office with the HSA qualified plan option?

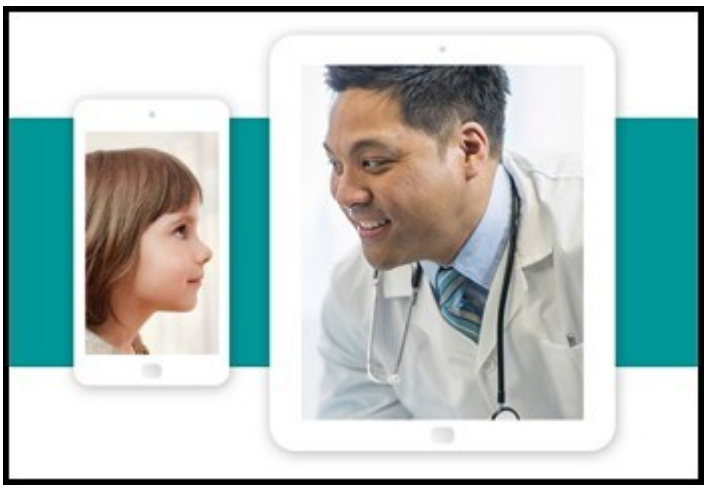
✓ You will provide your ID card at the time of the visit. The office will submit the claim to UnitedHealthcare. UnitedHealthcare will discount the charges based upon the physician's contract with UnitedHealthcare. You will receive an Explanation of Benefits (EOB) from UnitedHealthcare that illustrates your responsibility. You will receive a bill from the physician's office. You will pay

Where can I obtain a copy of an EOB?

✓ You can access all of your EOB information, and even print a copy, by registering on **myuhc.com**.

Virtual Visits

A virtual visit lets you see and talk to a doctor from your mobile device or computer without an appointment. Most visits take about 10-15 minutes and doctors can write a prescription, if needed, that you can pick up at your local pharmacy.



CONDITIONS COMMONLY TREATED THROUGH A VIRTUAL VISIT

- Bladder infection/Urinary Tract Infection
- Bronchitis
- Cold/Flu
- Diarrhea
- Fever
- Migraine/Headaches
- Pink Eye
- Rash
- Sinus Problems
- Sore Throat

ACCESS TO VIRTUAL VISITS

Log in to **myuhc.com** and choose from provider sites where you can register for a virtual visit. After registering and requesting a visit, you will pay the primary care visit copay for the UnitedHealthcare PPO Plan and the deductible for the HSA Qualified High Deductible Health Plan.

Advocate4ME

Advocate4Me is a consumer engagement program that provides UnitedHealthcare's members with a single point of contact to address your various health needs. By calling a single toll-free number, or using your preferred communication channel, members are connected with an Advocate who provides them with end-to-end support, "owning" their request until it's resolved. This service is offered at no charge to UnitedHealthcare members.

Full Spectrum of Health Care Support

Rally

Rally is a user-friendly digital experience on **myuhc.com** that will engage you in a new way by using technology, gaming and social media to help you understand, learn and support you on your health journey. With the online Rally Health Survey, personalized missions, rewards and connections to wearables like Fitbit, Jawbone and more, it is easier for you to get motivated to be healthier.

Care Options and When to Use Them

Primary Care

For routine, primary/preventive care, or non-urgent treatment, we recommend going to your doctor's office for medical care. Your doctor knows you and your health history, and has access to your medical records. You may also pay the least amount out of pocket when you receive care in your doctor's office.

Convenience Care

Sometimes, you may not be able to get to your doctor's office, and your condition is not urgent or an emergency. In these situations, you may want to consider a Convenience Care Center that can be an alternative to seeing your doctor.

Convenience Care Centers are conveniently located often in malls or some retail stores, such as CVS Caremark, Walgreens, Wal-mart and Target, and offer services without the need to schedule an appointment. Services at a Convenience Care Center may be provided at a lower out of pocket cost than an urgent care center visit and are subject to primary care physician office visit copays and/or deductible/coinsurance.

Services at a Convenience Care Center are generally available to patients 18 months of age or older. Services that are available may vary per center. We do, however, recommend that you seek routine medical care from your primary care physician whenever possible.

To find an in-network Convenience Care Center near you, visit **myuhc.com**.

Urgent Care

Sometimes you may need medical care fast, but a trip to the emergency room may not be necessary. Of course, during office hours you may be able to go to your doctor for any urgently needed service; however, if you require urgent care outside your doctor's regular office hours or you are unable to be seen by your doctor immediately, you may consider going to an urgent care center. At an urgent care center, you can generally be treated for many minor medical problems faster than at an emergency room.

We do however, recommend that you seek routine medical care from your primary care physician whenever possible.

Services that are available for Urgent Care may vary per center. If you choose to use an urgent care center, please make sure it is in-network by calling the toll-free number on the back of your medical ID card or visiting the carrier's website at **myuhc.com**.

Emergency Room

If you think you or your loved one may be experiencing an emergency medical condition, you should go to the nearest emergency room or call 911. Emergency services are always considered at the in-network benefit level.

Convenience Care Center

Typical conditions that may be treated at a Convenience Care Center include:

- Common infections (e.g.: bronchitis, bladder infections, ear infections, pink eye, strep throat)
- Minor skin conditions (e.g.: athlete's foot, cold sores; minor sunburn, poison ivy)
- Flu shots
- Pregnancy tests

This is a sample list and not all-inclusive. For a full listing of services please visit each center's Website.

Urgent Care

Typical conditions that may be treated at a Urgent Care Center include:

- Sprains
- Strains
- Mild asthma attacks
- Minor infections
- Vaccinations
- Back Pain or Strains
- Small cuts
- Sore throats
- Rashes
- Preventive Screenings

This is a sample list and not all-inclusive. For a full listing of services please visit each center's Website.

Emergency Room

Some examples of emergency conditions may include the following:

- Heavy bleeding Chest pain
- Sudden change in Vision
- Major burns
- Sudden weakness or trouble walking
- Large open wounds
- Spinal injuries
- Difficulty breathing
- Severe head injuries

This list only provides examples and is not intended as an exclusive list. If you believe you or your loved one is experiencing an emergency medical condition, you should go to the nearest emergency room or call 911, even if your symptoms are not described here.

An emergency medical condition is any condition (including severe pain) which you believe that without immediate medical care may result in:

- Serious jeopardy to your or your loved one's health, including the health of a pregnant woman or her unborn child
- Serious impairment to your or your loved one's bodily functions
- Serious dysfunction of any of your or your loved one's bodily organ or part

If you obtain care at an emergency room, you will likely pay more out of pocket than if you were treated at your doctor's office, a Convenience Care Center or Urgent Care facility.

If an emergency, no matter where you are, call 911 or go to the nearest emergency room for treatment. In an emergency, all facilities are considered in-network.*

*If you receive treatment for an emergency in a non-network facility, you may be transferred to an in- network facility once the condition has been stabilized.

Lab Services

If you require lab work consider having these services performed at LabCorp. If you choose to use LabCorp, services associated with the cost of your lab work will not apply to the deductible and coinsurance and will be covered 100% in most cases.

How to Enroll

What you need to do...

Login to workforcenow.adp.com for employee self-service. First time user will use registration code: (COMPANY NAME)-adp and follow registration prompts.

Enroll online in benefits, add dependents, and select benefit plans (enroll or decline). Section 125 (pre-tax premium) is the only option for benefits this year, and this means you cannot cancel benefits until next Open Enrollment or unless you experience a qualified Life Event.

Medical Benefit Notice

If you are eligible for Medical Benefits and wish to enroll YOUR SPOUSE, you must complete the Spousal Waiver. Complete these two steps ONLY if you and your spouse (if applicable) are eligible and enrolling in Medical Benefits with the wellness discounted rate.

1. Visit wellness https://wellness.hhhealthassociates.com to register. Online Registration: New User, Company Code = (COMPANY NAME). Choose Option 2 - Off Site/Walk-In Clinic. You must choose a clinic to receive the form that you'll take to the lab.

2. If your blood draw is not completed by the enrollment deadline, you will automatically be enrolled in the elected equivalent Non-Wellness Medical Plan.

Your Medical Insurance Plan Options and Costs

UnitedHealthcare - Plan Designs

Features	Traditional PPO Plan		Qualified High Deductible Health Plan (QHDHP) with HSA Option	
	In-Network	**Out-of-Network**	**In-Network**	**Out-of-Network**
Deductible (Individual / Family)	$1,000 / $2,000	$3,000 / $6,000	$2,600 / $5,200	$7,500 / $15,000
Coinsurance	80%	50%	100%	70%
Out-of-Pocket Maximum (Individual / Family) *Includes Deductible, Coinsurance & Co-Pay*	$4,000 / $8,000	$8,000 / $16,000	$6,250 / $12,500	$12,500/ $25,000
Office Visit (Primary Care physician / Specialist)	$30 / $60 Co-Pay	50% after Deductible	$35 / $70 Co-Pay After Deductible	70% after deductible
Preventive Care	100%	50% after Deductible	100%	70% after deductible
Diagnostics: Lab and X-Ray Major Diagnostics (MRI, CT, PET…)	 100% 80% after Deductible	 50% after Deductible 50% after Deductible	 100% after Deductible 100% after Deductible	 70% after deductible 70% after deductible
Urgent Care	$100 Co-Pay	50% after Deductible	$100 Co-Pay After Deductible	70% after deductible
Emergency Room	$300 Co-Pay		$300 Co-Pay after In-Network Deductible	
Outpatient Surgery	80% after Deductible	50% after Deductible	100% after Deductible	70% after deductible
Inpatient Hospital Services	80% after Deductible	50% after Deductible	100% after Deductible	70% after deductible
Prescription Drug *Retail (at Participating Pharmacies)* *Mail Order (90-Day Supply)*	 $10/$35/$60 $25/$87.50/$150		 Deductible, then $10/$35/$60 Co-Pay Deductible, then $25/$87.50/$150 Co-Pay	

Below are the per paycheck costs associated with each of the two medical plan options being offered for 2016/ 2017 plan year. Please note that your premiums will be withheld from your paycheck on a pre-tax basis for medical, dental and vision insurance. This can save you considerable money as the savings are based upon your individual tax bracket. Your election can only be changed mid plan year if you experience a qualifying life status change. You must notify Human Resources within 30 days of the event.

NOTE: If you purchase a Prescription Drug Product from a Non-Network Pharmacy, you are responsible for any difference between what the Non-Network Pharmacy charges and the amount UnitedHealthCare would have paid for the same Prescription Drug Product dispensed by a Network Pharmacy.

Per Paycheck Employee Cost

Type of Coverage	Traditional PPO Plan	QHDHP with HSA Option
Employee	$109.58	$40.03
Employee & Spouse	$339.11	$200.00
Employee & Child(ren)	$281.73	$160.01
Employee & Family	$511.25	$319.99

Both plans are included in UnitedHealthcare's 2016 Certificate of Coverage (COC). This is a brief summary only. For exact terms and conditions, please refer to your summary plan description.

Voluntary Dental Insurance

MetLife is the dental carrier for 2016/2017. The dental plan offers coverage in a PPO network and out-of-network. It is to your advantage to utilize a network dentist to take advantage of contracted fees. If you go out-of-network, you will be responsible for any amount exceeding MetLife's negotiated fees plus any deductible and coinsurance associated with your procedure. Dependent children are eligible until the end of the month in which they turn age 26. The following is a brief summary of your MetLife benefits:

MetLife - Plan Design

Features		PPO In-Network	Out-of-Network
Deductible (Individual/Family)	■ Aggregate	$50 / $150	$50 / $150
Annual Maximum	■ Applied to Type A, B & C Services	$1,500	$1,500
Type A - Preventive Services	■ Oral Examinations ■ Bitewing X-rays ■ Fluoride Treatments ■ Sealants ■ Prophylaxis: Cleanings	100% (No Deductible)	80% (No Deductible)
Type B - Basic Services	■ Space Maintainers ■ Full Mouth, Periapical & Other X-Rays ■ Fillings ■ Occlusal Guards / Bruxism Appliances ■ Oral Surgery - Simple Extractions ■ Labs & Other Tests ■ Emergency Palliative Treatment	80%	60%
Type C - Major Services	■ Endodontics ■ Periodontics ■ Fixed Bridges ■ Inlays/Onlays/Crowns ■ Implants ■ Dentures ■ Occlusal Adjustments ■ General Anesthesia ■ Oral Surgery: Surgical Extractions & Other Surgery	50%	50%
Orthodontia Child(ren)	■ Diagnostics and Treatment	50% up to $1,000 Lifetime maximum	50% up to $1,000 Lifetime maximum

In-Network Providers: agree to be reimbursed from a fee schedule and no balance billing.

Out-of-Network Providers: benefit payments are made up to the 90th percentile of Reasonable and Customary; and balance billing is possible.

Per Paycheck Employee Cost

Type of Coverage	Cost
Employee	$13.87
Employee & Spouse	$27.43
Employee & Child(ren)	$32.35
Employee & Family	$49.34

FIND A DENTIST

To find a MetLife provider in your area, visit the website at metlife.com.

- **Click on "Find a Dentist"**
- **Enter your Zip Code**
- **Select the PDP Plus network**
- **Click "Submit"**

A comprehensive directory of dentists will appear.

Voluntary Vision Insurance

EyeMed is the vision carrier for 2016/2017. The vision plan offers coverage both in-network and out-of-network. It is to your advantage to utilize a network provider to take advantage of the established contract rates and benefits. If you go out-of-network, your benefit is based on a reimbursement schedule. Also, if you are considering Lasik Surgery, there is a discount available with particular providers. To find a participating provider, go to **eyemed.com**. The following is a brief summary of your EyeMed vision benefits:

EyeMed - Plan Design

Features	In-Network	Out-of-Network
Examination Co-pay	$10 Co-Pay	$40 Reimbursement
Frequency of Service:		
Exam	Every 12 Months	
Lenses	Every 12 Months	
Frames	Every 24 Months	
Lenses		Reimbursement
Single	$15 Co-Pay	$30
Bifocal	$15 Co-Pay	$50
Trifocal	$15 Co-Pay	$70
Lenticular	$15 Co-Pay	$70
Standard Progressive Lenses	$80 Co-Pay	$50
Frames	$0 Co-Pay; $160 allowance, 20% off balance over $160	Reimbursement $112
Contacts *(Contact lens allowance includes materials only)*		Reimbursement
Conventional	$0 Co-Pay; $160 allowance, 15% off balance over $160	$160
Disposable	$0 Co-Pay;/ $160 allowance, plus balance over $160	$160
Medically Necessary	$0 Co-Pay, Paid-in-Full	$210

Out-of-Network Services: You can choose to receive care outside of the EyeMed network. You simply get an allowance toward services and you pay the rest. (In-Network benefits and discounts will not apply.) Just pay in full at the time of service and then file a claim for reimbursement.

Per Paycheck Employee Cost

Type of Coverage	Cost
Employee	$3.85
Employee & Spouse	$7.32
Employee & Child(ren)	$7.71
Employee & Family	$11.33

FIND A PROVIDER

To find a EyeMed vision provider in your area, visit the website at eyemed.com.

- **On the right side of the webpage you can quickly find a provider by clicking on "Find a Provider"**
- **Enter your zip code and hit the Search button**
- **The search will generate a report of the Search Results, listing the providers closest to your zip code first**
- **Clicking on the "More Info" button next to the provider will display products, services, doctors, etc. for that location**
- **OR, you can call 866.939.3633 to speak with a Customer Service representative**

Basic Life and AD&D

[COMPANY NAME] provides two and a half times your annual earnings to a maximum of $50,000 in Basic Life and Accidental Death and Dismemberment insurance. This coverage is offered through Mutual of Omaha and is at no cost to you. Coverage for your spouse and children is also available for a monthly cost of $1.44. Spouses are eligible for $5,000 in coverage and $2,500 is available for your dependent children. Additional Life and AD&D coverage is available under the Voluntary Life and AD&D coverage described below.

Employees are eligible the first of the month after thirty (30) days of employment for regular full-time employees.

Voluntary Life and AD&D and Dependent Life

Rates per $1,000 of coverage			
	Age	**Employee**	**Spouse***
Voluntary Life	<24	$0.060	$0.060
	25-29	$0.060	$0.060
	30-34	$0.070	$0.070
	35-39	$0.080	$0.080
	40-44	$0.130	$0.130
	45-49	$0.210	$0.210
	50-54	$0.350	$0.350
	55-59	$0.550	$0.550
	60-64	$0.860	$0.860
	65-69	$1.55	$1.55
	70-74	$2.77	
	75-79	$4.57	
	80+	$9.25	
	Child(ren)	$0.130/month for $1,000	
Voluntary AD&D	$.020 $.040 for Child(ren)		

*Spouse rate is based on the employee's age.

- Voluntary Employee Life & AD&D, minimum $10,000 to a maximum of 5 times annual salary or $250,000 in $10,000 increments. The guarantee issue amount for the employee is up to $100,000.

- Optional Dependent Life & AD&D, for spouse, minimum $10,000 up to 50% of the employee amount to $100,000 maximum in $10,000 increments. The guarantee issue amount for the spouse is up to $50,000
- Optional Dependent Life & AD&D, for children, minimum $1,000 up to $10,000 maximum. The guarantee issue amount for children is $10,000.
- If you do not enroll during your initial enrollment period in the Voluntary Life and AD&D plan, you will be required to complete an Evidence of Insurability form and be approved by Mutual of Omaha before you are able to obtain coverage in the future.

Please note: If you elect Voluntary Life for yourself and/or your dependents, Voluntary AD&D is an automatic election based on the voluntary life insurance amount.

Disability Insurance

Short-Term Disability

Short-Term Disability insurance is offered through Mutual of Omaha. [COMPANY NAME] contributes 80% of the premium cost. The plan benefit is 60% of basic weekly earnings up to a maximum of $1,500 per week. Basic earnings is the average of your gross weekly income for the year immediately prior to the onset of disability and includes commissions, bonuses, overtime pay, shift differential pay or any other earnings. There is a waiting period of 30 days for an accident and 30 days for sickness and continues for 9 weeks.

Long-Term Disability

Long-Term Disability insurance is offered through Mutual of Omaha and [COMPANY NAME] contributes 80% of the premium for this benefit. The plan benefit is 60% of basic monthly earnings up to a maximum of $7,500 per month. Basic earnings is the average of your gross monthly income for the year immediately prior to the onset of disability and includes commissions, bonuses, overtime pay, shift differential pay or any other earnings. The benefits begin after a 90 day waiting period.

Long-Term Care

Long-term care is defined as the type of care received either at home or in a facility when someone needs assistance with activities of daily living, or suffers severe cognitive impairment due to an accident, an illness or advancing age. Health insurance won't cover the cost for nursing home stays, and government programs like Medicare and Medicaid often fall short as well. That is why [COMPANY NAME] offers employees and their extended families the opportunity to purchase long-term care insurance at a group rate through Unum. Employees' spouses, their parents and grandparents and their spouses' parents and grandparents and siblings, and children 18 or older are also eligible to purchase coverage.

Employee pays the full premium for a basic level of long-term care coverage for all benefit eligible employees. In addition to the base level, employees can purchase amounts up to and including a $6,000 monthly benefit and a facility benefit duration of 3 or 6 years on a guarantee issue basis. All newly hired employees will have 30 days to sign up for the guarantee issue coverage. Completion of a benefit election form is required for enrollment. If you choose an amount or a duration beyond the guarantee issue, a medical questionnaire will also be required. All family members must complete the benefit election form as well as a medical questionnaire. Plan options are listed below. Please contact Human Resources to obtain the forms.

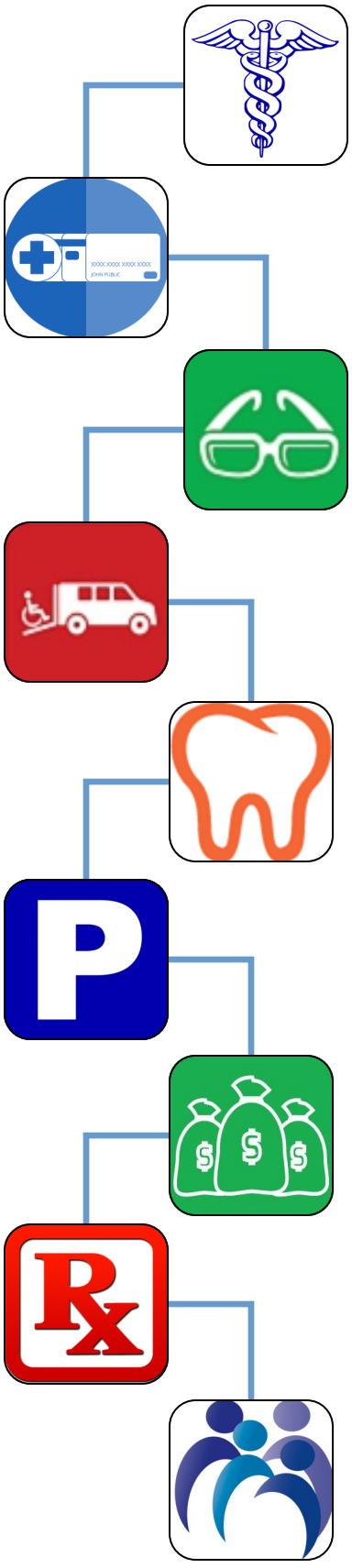
Benefit Duration	3 Years	6 Years	Unlimited Duration
Facility Benefit Amount per $1,000 Increments	$2,000 to $8,000	$2,000 to $8,000	$2,000 to $8,000
Residential Care Facility II	60%	60%	60%
Lifetime Maximum Per $1,000 Increments	$36,000	$72,000	Unlimited
Professional Home Care	50%	50%	50%
Total Home Care—Option	50%	50%	50%

Flexible Spending Accounts (FSAs)

Types of Accounts

SECTION 125 MEDICAL ACCOUNT: This account enables you to pay with pre-tax dollars any medical, dental, vision, and prescription drug expenses that are not covered under your insurance program or that of your spouse. You may also cover dependent health care expenses through the account even if you choose single coverage. The total amount of your annual pledge is available to you up front thus reducing the risk of a large out-of-pocket expense at any one time during the plan year. Be aware that with the Section 125 Medical Account, any unused portion of the account at the end of the plan year is forfeited.

DEPENDENT CARE EXPENSE ACCOUNT: This account gives you the opportunity to redirect a portion of your annual pay on a pre-tax basis to pay for dependent care expenses. An eligible dependent is any member of your household for whom you can claim expenses on your Federal Income Tax Form 2441, "Credit for Child and Dependent Care Expenses." Children must be under age 13. Care centers which qualify include dependent care centers, preschool educational institutions, and individuals, as long as the caregiver is not a child of yours under age 19 or anyone you can claim as a dependent for tax purposes. Before deciding to use the Dependent Care Expense Account, it would be wise to compare its tax benefit to that of claiming a child care tax credit when filing your tax return. Either may be better, depending on your personal situation. You may not use both. You may want to check with your tax advisor to determine which method is best for you and your family. Any unused portion of your account balance at the end of the plan year is forfeited.



How the Accounts Works

When you have eligible expenses not covered under the health insurance plan, such as copayments and deductibles, you can either use your flexible spending account debit card to pay for out-of-pocket expenses at qualified vendors or submit a FSA claim form with your receipt to CBIZ. Reimbursement is issued to you through direct deposit into your bank account, or if you do not wish to have direct deposit, a manual check may be issued to you.

Maximum Contributions	
Section 125 Medical Account	$2,550 max
Dependent Care Expense Account	$5,000 max

Contact Information

You may request a full statement of your accounts at any time by calling CBIZ at 1-800-815-3023 (option #4) or log on to **myplans.cbiz.com** to review your Flexible Spending Account balance. The address to mail claims to is CBIZ Flex, 2797 Frontage Rd NW, Suite 2000, Roanoke, VA 24017.

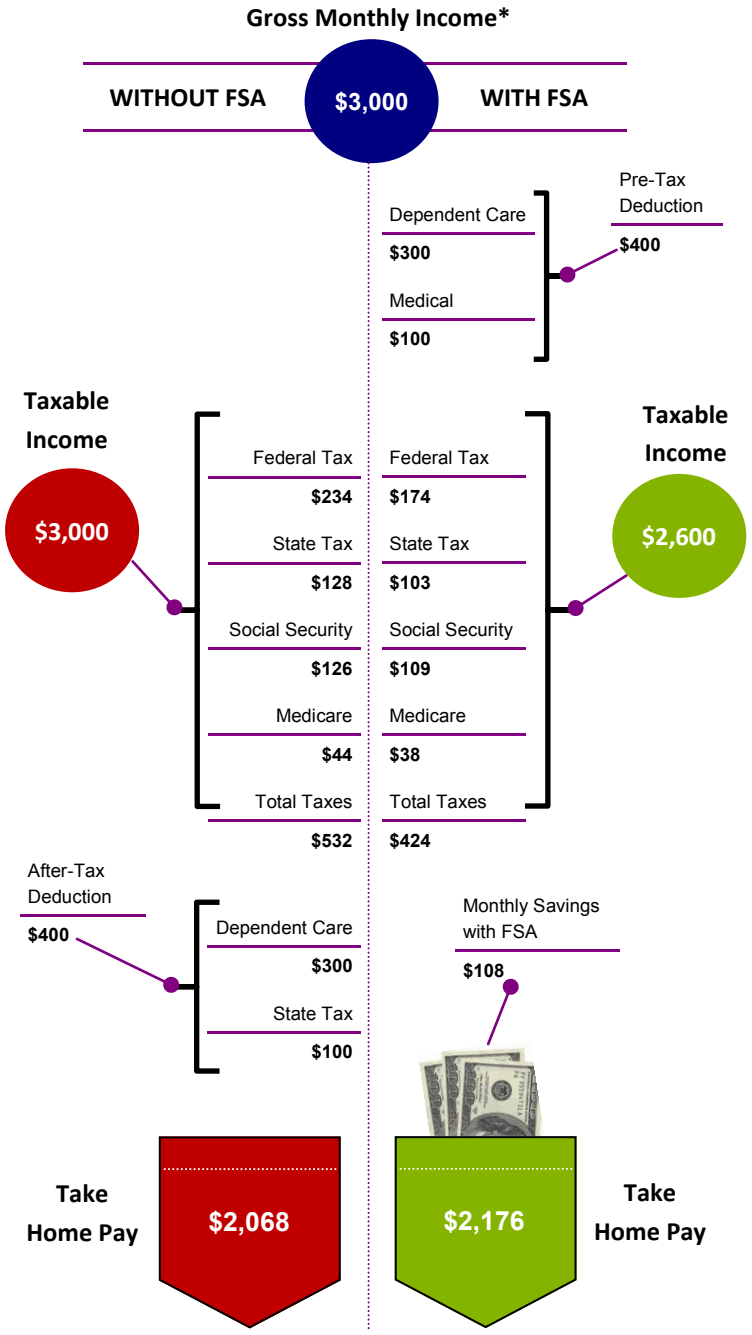
From the website you can:

- View account information and activity
- File claims
- Manage your profile
- View notifications
- Access forms

Below is a partial list of eligible expenses that can be reimbursed from a Section 125 Medical Account. Other out-of-pocket expenses may qualify.

Alcoholism treatment	Laboratory fees
Artificial limbs	Licensed osteopaths
Ambulance	Licensed practical nurses
Braces	Orthodontia
Chiropractors	Orthopedic shoes
Coinsurance and copayments	Obstetrical expenses
Contact lens solution	Oxygen
Contraceptives	Prescription drugs
Crutches	Podiatrists
Deductible amounts	Prescribed vitamin supplements (medically necessary)
Dental expenses	Psychiatric care
Dentures	Psychologist expenses
Dermatologists	Routine physical
Diagnostic expenses	Seeing-eye dog expenses
Eyeglasses, including exam fee	Smoking cessation programs
Handicapped care and support	Sterilization and reversals
Nutrition counseling	Substance abuse treatment
Hearing devices and batteries	Surgical expenses
Hospital bills	

How will a flexible spending arrangement save you money?



* This is an example and for illustration purposes only. Taxes are not exact and will vary.

Employee Assistance Program

(COMPANY NAME) has partnered with ACI Specialty Benefits to offer employees with LTD insurance an Employee Assistance Program (EAP). From the stress of everyday life to relationship issues or even work-related concerns, the EAP and work-life benefits can help with any issue affecting overall health, well-being and life management. EAP offers confidential and professional assessment and referral services for employees and their family members.

Added Features 401(k)

Unlimited telephonic sessions of professional assessment for employees and family members

3 face to face sessions

Getting Assistance

855.RSL.HELP
(855.775.4357)

rsli.acieap.com

Retirement Plan

The 401(k) plan is managed by Pentegra. The contributions to the 401(k) plan are deducted pre-tax and pre FICA from your paycheck. Employees are eligible to participate in the 401(k) plan the first of the month after competing a 90 day waiting period or after completing 480 hours of service.

An employee may contribute from 1% up to 60% of their eligible pay in the Plan up to the annual IRS dollar limit. In addition, [COMPANY NAME] will make a competitive matching contribution (100% of the first 4% of the amount you save) as defined by the Retirement Savings Plan.

Holidays

[COMPANY NAME] provides all full-time employees with paid holidays. In order to qualify for holiday pay, you must work the scheduled workday immediately before and after the holiday. Only excused absences will be considered exceptions to this policy. For holidays falling on Saturday the [COMPANY] will be open the preceding Friday. For holidays falling on Sunday, the [COMPANY] will be closed the following Monday. We observe the following holidays:

New Year's Day	Labor Day
Dr. Martin Luther King Jr. Day	Columbus Day
President's Day	Veteran's Day
Memorial Day	Thanksgiving Day
Fourth of July	Christmas Day

Paid Time Off Policy

[COMPANY NAME] believes that employees should have opportunities to enjoy time away from work to help balance their lives. The [COMPANY] recognized that employees have diverse needs for time off from work and, therefore, has established this paid time off (PTO) policy to meet those needs. The benefits of PTO are that it promotes a flexible approach to time off. Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness, disability, appointments, emergencies, or other situations that require time off from work. PTO is accrued upon hire or transfer into a benefits-eligible position. Employees working less than 20 hours per week on a regular basis and temporary employees are not eligible to accrue PTO. Part-time employees working 20 or more hours per week accrue PTO on a prorated basis. Part-time employees will accrue 3.08 hours of paid time off per pay period.

Full-Time Employees	Officers and Director Level and Above Positions	Accrual Rate Per Pay Period
0-6 years of service	0-4 years of service	5.33 Hours
7-14 years of service	5-11 years of service	7 Hours
15+ years of service	12+ years of service	8.66 Hours

The amount of PTO you accrue each year is based on your length of service and accrues according to the schedule for full-time employees as indicated in the chart above. PTO is accrued as you work. You will not accrue PTO time while you are on leave of absence or suspension by the [COMPANY].

Employees are required to use available PTO when taking time off from work with the exception of a company required absence due to low workload or absences occasioned by the company. The minimum amount of PTO you can use at one time depends on whether you are an exempt or a non-exempt status employee. If you are non-exempt, you may not take less than one hour off at a time. If you are exempt status employees you must take PTO in increments of not less than one half day (four hours). Whenever possible, PTO must be scheduled in advance. PTO is subject to supervisory approval, department staffing needs and established departmental procedures. The supervisor may request that the employee provide a statement from a health care provider concerning the justification for absences due the illness longer than three days. PTO is paid at the employee's straight time rate and is not part of any overtime calculation.

If an employee who is hired or promoted to a position with officer status is subsequently demoted or transferred to a non-officer position and vice versa, an employee will accrue paid time off at the rate provided for in this policy for the new position.

Although you may carry over unused PTO time from year to year, there is a cap on the amount of PTO time you can accumulate. You can have maximum of 125% of the eligible PTO you would accrue for that year. If you are an employee with two years of service, the maximum amount of PTO you may have at any given time would equal 160 hours. This encourages you to use your PTO and allows the [COMPANY] to manage its financial obligations responsibly. Once you reach your cap, you will not accumulate any more PTO until you use some of the time in your account and drop below the cap. After your balance goes below the cap, you will begin accruing PTO again; however, you will not receive retroactive credit for time worked while you were at the cap limit.

You must request and record all PTO time used. The amount of PTO accrued, used and available will appear on your paycheck stub.

All employees terminating employment will be paid for accrued but unused PTO unless they are terminated for a cause. Employee terminating employment voluntarily must provide two weeks' notice to be eligible for payout. Employees whose positions are eliminated through a reduction in force or reorganization or whose hours drop below 20 hours per week are paid PTO on the effective date of the termination. Part-time employees will not be paid for accrued PTO upon termination.

Most employees will start the new PTO system with an account balance consisting of old banked and unused sick time. This time will be in a frozen account and used first for your absences as they are related to illness, disability, doctor's appointments and medical family emergencies. This time will not be paid out upon termination of employment. You will have two years to use the time off from this account. All balances will be cleared on January 1, 2017.

Bereavement (Funeral) Leave

Employees are allowed up to three (3) days per year with pay for funerals/bereavement of members of their immediate family. Immediate family/stepfamily members include: spouse, children, parents, brothers, and sisters. A two (2) day absence with pay is allowed for parents-in-law, children-in-law, grandparents and grandchildren. The period of time that an employee is on bereavement leave is not considered time worked for purposes of determining eligibility for overtime calculation.

An employee seeking paid bereavement leave must notify his or her supervisor or manager or Human Resources of the death before taking leave.

Jury Duty

All regular full-time and regular part-time employees shall be allowed to attend jury duty service in accordance with their legal obligations to do so.

An employee who receives a jury duty summons shall present the summons to his or her supervisor immediately. Employees on jury duty must report to work on days or parts of days when they are not required to serve. Employee will be reimbursed for the difference between the jury pay and regular pay for the absence up to 30 days. A part-time employee called for jury duty on a regularly scheduled work day, will be reimbursed for any difference between jury pay and pay for the hours scheduled to work that day. Time spent on jury duty is not considered as time worked in computing overtime.

Service Awards

The [COMPANY] appreciates the effort you put into your work and your service. When you have been with the [COMPANY] for five years and every five years of completed service, thereafter, you will receive a Service Award. The Award will be a gift to you and a token of sincere appreciation for years of service.

Voting

[COMPANY NAME] encourages employees to fulfill their civic responsibilities by participating in elections. Generally, employees are expected to find time to vote either before or after their regular work schedule. Polls are generally open from 7 am to 7 pm and allow all [COMPANY] employees to vote either prior to their shift or after the shift, as generally [COMPANY] hours are from 8 am to 5 pm. However, if employees are unable to vote in an election during their non-working hours, [COMPANY NAME] will grant up to 3 hours of unpaid time off to vote.

Worker’s Compensation Insurance

[COMPANY NAME] provides a workers' compensation insurance program. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. The accident report must be completed and forwarded to Human Resources for timely reporting to the insurance carrier.

Military Service Leave of Absence

A military Leave of Absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

Employees will receive partial pay for two-week training assignments and shorter absences. Upon presentation of satisfactory military pay verification data, employees will be paid the difference between their normal base compensation and the pay (excluding expense pay) received while on military duty.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Business Travel Expenses

[COMPANY NAME] will reimburse employees for reasonable business travel expenses incurred while on assignments away from their normal work location. All business travel must be approved in advance by the employee's supervisor or manager.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by [COMPANY NAME]. Employees are expected to limit expenses to reasonable amounts.

Expenses that generally will be reimbursed include the following:

- Airfare or train fare for travel in coach or economy class or the lowest available fare.
- Car rental fees, only for compact or mid-sized cars.
- Fares for shuttle or airport bus service, where available; costs of public transportation for other ground travel.
- Taxi fares, only when there is no less expensive alternative.
- Cost of standard accommodations in low to mid-priced hotels, motels, or similar lodgings.
- Cost of meals, no more lavish than would be eaten at the employee's own expense.
- Tips not exceeding 15% of the total cost of a meal or 10% of a taxi fare.
- Charges for telephone calls, fax, and similar services required for business purposes.

When travel is completed, employees should submit completed expense reports. Reports should be accompanied by receipts for all individual expenses.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

Important Notices

Special Enrollment Notice

During the open enrollment period, eligible employees are given the opportunity to enroll themselves and dependents into our group health plans. If you elect to decline coverage because you are covered under an individual health plan or a group health plan through your parent's or spouse's employer, you may be able to enroll yourself and your dependents in this plan if you and/or your dependents lose eligibility for that other coverage. If coverage is lost, you must request enrollment within 30 days after the other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may enroll any new dependent within 30 days of the event. To request special enrollment or obtain more information, contact Human Resources.

Women's Health and Cancer Rights Act of 1998

As a requirement of the Women's Health and Cancer Rights Act of 1998, your plan provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema. The benefits must be provided and are subject to the health plan's regular copays, deductibles, and co-insurance. You may contact our health carrier at the phone number on the back of your ID card for additional benefit information.

Notice of Material Change (also Material Reduction in Benefits)

[COMPANY NAME] has amended the Medical, Dental and Vision benefit plans. This benefit guide contains a summary of the modifications that were made. It should be read in conjunction with the Summary Plan Description or Certificate of Coverage, which is available to you once it has been updated by the carriers. If you need a copy, please submit your request to Human Resources.

Notice of Privacy Practices

[COMPANY NAME] is subject to the HIPAA privacy rules. In compliance with these rules, it maintains a Notice of Privacy Practices. You have the right to request a copy of the Notice of Privacy Practices by contacting Human Resources.

Important Information Regarding 1095 Forms

As an employer with 50 or more eligible employees we are required to provide 1095-C forms to all employees who were eligible for coverage under our group health plan in 2015. If you were eligible for coverage under our group plan you will receive a personalized 1095-C form before March 31, 2016. We are also required to send a copy of your 1095-C form to the IRS.

The information reported on Form 1095-C is used in determining whether an employer owes a payment under the employer shared responsibility provisions under section 4980H. Form 1095-C is also used by the IRS and the employee in determining the eligibility of the employee for the premium tax credit.

You'll need a 1095 form to complete your annual Federal tax return.

Marketplace Options

HEALTH INSURANCE MARKETPLACE COVERAGE OPTIONS AND YOUR HEALTH COVERAGE

General Information

When key parts of the health care law took effect in 2014, there was a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the Marketplace and employment-based health coverage offered by [COMPANY NAME].

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance which meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit which lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins November 1st through January 31st.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium. Savings depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer which offers minimum essential coverage and meets affordability standards, you will not be eligible for a tax credit through the Marketplace. If you purchase health coverage through the Marketplace, you may lose any employer contribution offered for the employer-offered coverage. Employer and employee contributions for employer-offered coverage are often excluded from Federal income tax. Payment for Marketplace coverage is made on an after-tax basis.

More Information

New employees will receive a notice of Marketplace Coverage Options advising the standards of offered coverage. Please visit HealthCare.gov for more Marketplace information.

Medicaid CHIP Notice

Premium Assistance under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're also eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit healthcare.gov.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a state listed on the DOL website provided below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at **askebsa.dol.gov** or call **1-866-444-EBSA (3272)**.

Following is a link to the latest form and states where you may be eligible for assistance paying your employer health premiums: dol.gov/ebsa/pdf/chipmodelnotice.pdf

For more information on special enrollment rights, you can contact either:

U.S. Department of Labor
Employee Benefits Security Administration
dol.gov/ebsa
1-866-444-3272
Menu Option 4, Ext 61565

U.S. Department of Health and Human Services
Centers for Medicare and Medicaid Services
cms.hhs.gov
1-877-267-2323

Medicare Part D Creditable Coverage

This notice has information about your current prescription drug coverage and about your options under Medicare's prescription drug coverage. If you are eligible for Medicare, the following information can help you decide whether or not you want to join a Medicare drug plan. You should consider comparing your current coverage through our medical plan with the costs of plans offering Medicare prescription drug coverage in your area. Two important things you need to know about your current coverage and Medicare prescription drug coverage:

Medicare prescription drug coverage is available if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan. All Medicare drug plans provide at least a standard level of coverage set by Medicare. More coverage may be offered at a higher premium.

UnitedHealthcare has determined that the prescription drug coverage offered by [COMPANY NAME] is on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because this coverage is Creditable Coverage, you can keep it and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

If you lose your current creditable prescription drug coverage through no fault of your own, you will be eligible for a two-month Special Enrollment Period to join a Medicare drug plan.

If you decide to join a Medicare drug plan, your current coverage will not be affected. This plan will coordinate with Part D coverage. If you drop your current coverage, be aware that you and your dependents will be able to get this coverage back.

If you drop or lose your current coverage and don't join a Medicare drug plan within 63 continuous days after your coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

This information is provided for the Medicare open enrollment period which begins on October 15. If you want more information about Medicare plans that offer prescription drug coverage, you will find it in the Medicare & You handbook or you can visit **medicare.gov** or call 1-800-MEDICARE (1-800-633-4227).

TTY users: 1-800-486-2048. If you have limited income and resources, visit Social Security on their website at **socialsecurity.gov**, or call them at 1-800-772-1213. TTY users: 1-800-325-0778.

Keep all Creditable Coverage notices. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of the notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Glossary of Terms

Coinsurance – The plan's share of the cost of covered services which is calculated as a percentage of the allowed amount. This percentage is applied after the deductible has been met. You pay any remaining percentage of the cost until the out-of-pocket maximum is met. Coinsurance percentages will be different between in-network and non-network services.

Copays – A fixed amount you pay for a covered health care service. Copays can apply to office visits, urgent care, or emergency room services. Copays will not satisfy any part of the deductible. Copays should not apply to any preventive services.

Deductible – The amount of money you pay before services are covered. Services subject to the deductible will not be covered until it has been fully met. It does not apply to any preventive services, as required under the Affordable Care Act.

Emergency Room – Services you receive from a hospital for any serious condition requiring immediate care.

Lifetime Benefit Maximum – All plans are required to have an unlimited lifetime maximum.

Medically Necessary – Health care services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, disease or its symptoms, which meet accepted standards of medicine.

Network Provider - A provider who has a contract with your health insurer or plan to provide services at set fees. These contracted fees are usually lower than the provider's normal fees for services.

Out-of-Pocket Maximum – The most you will pay during a set period of time before your health insurance begins to pay 100% of the allowed amount. The deductible, coinsurance, and copays are included in the out-of-pocket maximum.

Preauthorization – A process by your health insurer or plan to determine if any service, treatment plan, prescription drug, or durable medical equipment is medically necessary. This is sometimes called prior authorization, prior approval, or precertification.

Prescription Drugs – Each plan offers its own unique prescription drug program. Specific copays apply to each tier and a medical plan can have one to five separate tiers. The retail pharmacy benefit offers a 30-day supply. Mail Order prescriptions provide up to a 90-day supply. Sometimes the deductible must be satisfied before copays are applied.

Preventive Services – All services coded as Preventive must be covered 100% without a deductible, coinsurance, or copayments.

UCR (Usual, Customary and Reasonable) – The amount paid for medical services in a geographic area based on what providers in the area usually charge for the same or similar service.

Urgent Care – Care for an illness, injury or condition serious enough that a reasonable person would seek immediate care, but not so severe to require emergency room care.

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CBIZ ESO™

Wellbeing Insights

Living a Better, More Vibrant Life

In This Issue

August | Happiness Happens

10 Keys to Living a Happier Life

Think you are unhappy by nature? Miserable because of your life circumstances? Think again! Research has shown that we do indeed operate around a happiness "set point." However, only 50 percent of this set point is due to genetics and upbringing. A mere 10 percent is related to life circumstances, and the other 40 percent is purely under our control (e.g., our activities, relationships, how we choose to live our life). Many people state that simply being happy is one of their biggest life goals. The good news is that extensive research has yielded consistent findings on how to achieve it. The following 10 keys put improving happiness in your hands!

Continued on next page

Keys to a Happier Life: GREAT DREAM Continued from page 1

GIVING: Generosity is strongly bound to the reward center in our brain; if you want to feel good, do good! Giving also helps us build stronger connections with others and creates happier communities on a large scale.

RELATING: People with strong social relationships are not only happier, they also live longer. Take the time to nurture the relationships in your life that bring you a sense of support and belonging. Remember, we become more like the people we spend time with, so choose carefully!

EXERCISING: Our body and our mind are strongly connected. Being active will instantly improve your mood and is a miracle worker for your overall happiness. View physical activity as a tool for happiness instead of a chore to accomplish; you may be surprised with the difference this little change in mindset can make.

APPRECIATING: Take the time to notice the little things and appreciate the beauty around you. Tuning in to the present moment throughout the day can help us cope better with daily life and keep us rooted in the here and now.

TRYING OUT: Keep a healthy curiosity in daily life and try to learn something new every day. This helps keep us engaged in daily life, builds self-confidence and resilience, and has a host of other benefits, all depending on what you choose to learn about.

DIRECTION: Setting goals is an important part of maintaining motivation, a sense of direction and purpose, and feelings of accomplishment and satisfaction. Set both short-term and long-term goals for yourself that are personally meaningful and challenging enough to excite you yet also realistic and achievable.

RESILIENCE: Although we may not have the power to control what happens to us, we always have the power to choose how to respond. It is important for our happiness that we develop ways to bounce back during trying times. Remember, if you can't change it, change the way you think about it.

EMOTION: Regularly experiencing positive emotions such as joy, gratitude, inspiration and pride can create an upward spiral of happiness over the long-term. Make an effort to acknowledge the good things in life (no matter how small) and what you are grateful for on a daily basis.

ACCEPTANCE: Self-acceptance is an important key to happiness. Avoid comparing yourself to others as much as possible, and focus on building up your strengths instead of fixating on your flaws. Remember to be kind to yourself.

MEANING: People who feel they are a part of something bigger and have a purpose and meaning outside of themselves are happier, feel more in control and get more out of what they are doing.

Learn more at actionforhappiness.org

"IT'S NOT HOW MUCH WE HAVE, BUT HOW MUCH WE ENJOY THAT MAKES HAPPINESS."

— CHARLES SPURGEON

On the Menu

Zucchini

Due to its mild flavor and fairly inexpensive price, zucchini is the perfect summer staple. It's ideal for sneaking veggies into any meal as it's easily tossed into baked goods and casseroles for a nutritional boost. Give grilled zucchini center stage by adding any of your favorite seasonings for an easy crowd-pleasing side dish. It boasts more than versatility with impressive nutritional benefits. Zucchini is high in water content and rich in fiber, making it a very low-calorie friend that aids in digestion. One cup of sliced zucchini has only about 19 calories while delivering substantial amounts of antioxidants, Vitamin C, manganese, potassium and lutein. In general, zucchini is great for:

- Heart health
- Eyesight
- Digestion
- Weight management

Keep It Fresh

When selecting a zucchini look for firm, small to medium sizes and shiny skin. You can find this squash in a variety of colors from yellow to dark green. The color will not affect the taste much as long as the fruit is still firm and there are no pits or wrinkling in the skin. It's best to store zucchini in the fridge in a loose plastic bag and eat within four days.

Zoodles

This fresh, healthy pasta substitute has taken the world by storm! Zucchini noodles, or "zoodles," are a fun and tasty way to increase your veggie intake! Zoodles contains $^1/_8$ the calories of pasta and $^1/_{10}$ the carbs!

Ingredients:

- Whole zucchini – however much you would like to prepare

Directions:

You can prepare zoodles using a counter-top spiralizer, hand-held spiralizer, julienne peeler or vegetable peeler. An actual spiralizer of some sort is faster and creates prettier zoodles, but if you want to try zoodles before investing in a new kitchen utensil, use a peeler. Zoodles can be eaten raw, steamed, sautéed or roasted. Use them as a substitute for pasta or add them to your favorite salad or soup. The possibilities are endless.

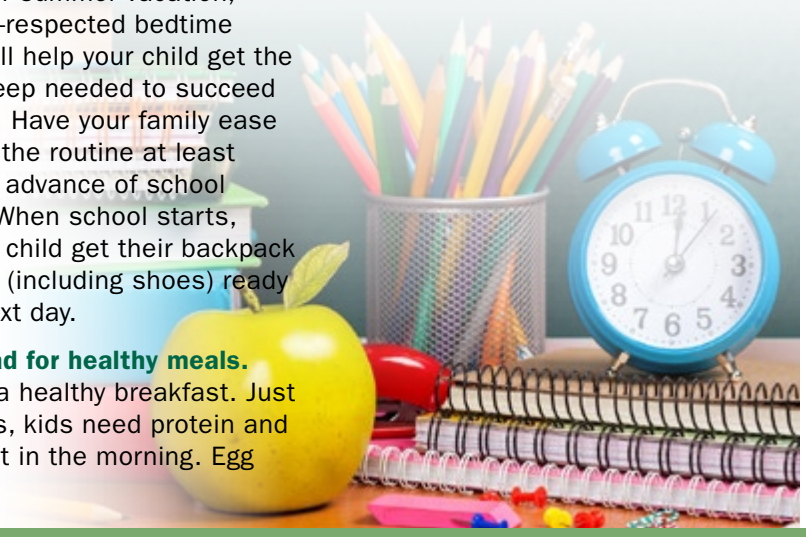
If you do not want your zoodles to have a crunch to them, it is wise to prepare them at least one day prior to eating. Store them in the refrigerator in a sealed plastic container lined with paper towels to allow them to sweat out most of their water. To speed this process up, you may also choose to lay your zoodles on a pan and sprinkle them with sea salt which will draw the moisture out more quickly (20-30 minutes). Zoodles will stay fresh in the fridge for up to five days, but freezing them will ruin their texture so plan to use them the week you make them.

Nutrition Info	
Per 1 cup serving	
Calories	18
Carbohydrates	3.8g
Fiber	1.2 g
Protein	1.4g
Sodium	11mg

Back-to-School Tips for Parents

Getting off to a good start each school year can tremendously influence a child's attitude for the entire year. This transition from summer can be difficult for parents as well, but a little planning can go a long way. Here are a few suggestions to help ease the adjustment and prepare your child (and you) for a successful school year.

- **Mark your calendar.** Schedule out doctor appointments in advance, including sports physicals and necessary immunizations. Mark your calendar with any important dates provided by the school.
- **Meet the teacher and tour the school.** Meeting the teacher ahead of time can greatly ease any anxiety your child may have about starting a new year and help you establish a parent-teacher relationship early on. Touring the school can help them feel more comfortable and give you a good visual for when you hear about their day. Make sure your child practices opening their locker and locates all of his or her classrooms.
- **Re-establish a routine.** Oftentimes, routine goes out the window for summer vacation, but a well-respected bedtime routine will help your child get the quality sleep needed to succeed at school. Have your family ease back into the routine at least a week in advance of school starting. When school starts, have your child get their backpack and outfit (including shoes) ready for the next day.
- **Plan ahead for healthy meals.** Prioritize a healthy breakfast. Just like adults, kids need protein and healthy fat in the morning. Egg muffins are a great go-to. Simply scramble eggs with your favorite meats and/or veggies, pour into a muffin tin, bake at 350 degrees for 20 minutes, then let cool and refrigerate. Pop them in the microwave for 20-30 seconds for a quick and healthy breakfast on the go.
- **Prepare a study area.** Set up a special area for homework. Remove distractions while keeping the area inviting. For example, keep it out of earshot of the television but include interesting colors and a comfortable place to sit.
- **Avoid overscheduling.** The first couple weeks of school, especially for younger kids, may be exhausting. Be mindful of piling on too many afterschool activities until they are adjusted.
- **Check in.** It can be like pulling teeth to get kids to open up and share how their day went. Give kids a chance to unwind after school before asking them twenty questions. Rather than asking yes/no questions, find creative ways to learn about their experiences, friendships and challenges, and be sure to share how your day went too.



Mindful Minute

The power of positive thinking is profound! Regularly experiencing positive emotions such as joy, pride, gratitude and inspiration is predictive of overall human flourishing, including longer life span, less stress and better psychological and physical health. Optimism and pessimism are not personality traits that are entirely out of our control. In fact, optimism is an emotional skill that takes consistent practice to create a lasting habit. Here are some tips to start transforming yourself into a more positive thinker:

- **Smile.** The physical act of smiling, even if we aren't happy, can greatly impact our mood and outlook.
- **Look for the learning opportunity in every failure and bad experience.** If it helps to talk things out with a friend, do it!
- **Start small by identifying a specific area of your life you tend to have negative thoughts about.** Recognize and replace the negative with a positive thought.
- **Repeat affirmations that inspire and motivate you.** Post sticky notes or reminders that keep this in the forefront of your mind.
- **Don't ruminate on negative things that are out of your control.** Practice the art of letting go.

App in a Snap

Name: Five Minute Journal
Price: Free
Focus: Happiness & Wellbeing

The Five Minute Journal, designed using the principals of positive psychology, promotes itself as a "toothbrush for the mind"— use the app a few minutes, twice a day, to increase happiness. Each morning, log in to note three things that you are grateful for and specify how you will make the day amazing! There is also space to affirm how you will embrace the days' joys and tasks. At the end of the day, "brush again," this time reflecting on three positive things that happened and how you could have made the day even better. Daily quotes and weekly challenges keep users motivated to create a habit of using the tool.

Through the Five Minute Journal, Emily Noll, National Director of CBIZ Wellbeing Solutions, sets a morning and evening reminder to log in for a daily dose of inspiration and to document, through words and pictures, the best moments of each day. She says it's a simple tool that busy professionals can use to get their day started on the right foot, express gratitude and optimize wellbeing.

Get Some Satisfaction

Five specific character traits have been identified as the most highly related to life happiness and satisfaction. They are hope, zest, gratitude, curiosity and love. Here are some simple activities that can help you boost these traits in your everyday life to get more satisfaction.

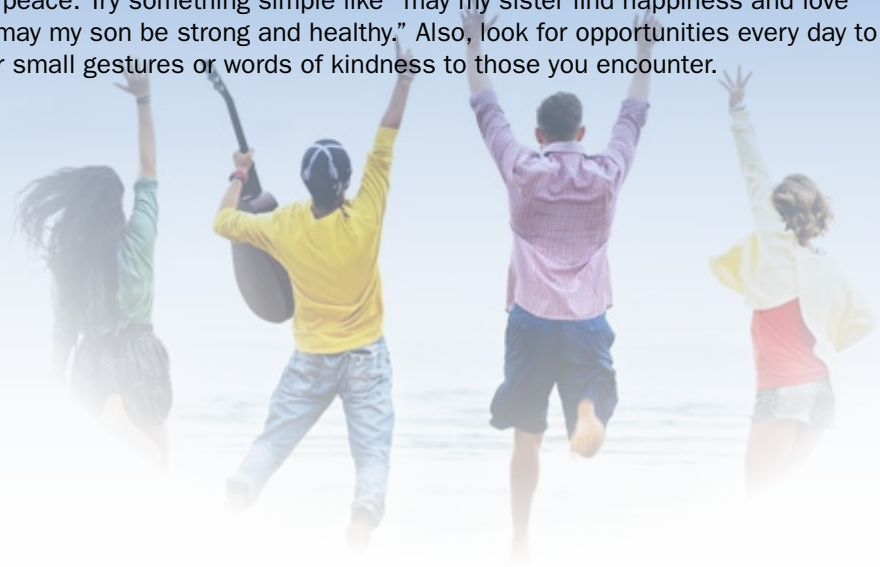
Hope: Hope is a combination of setting goals, having the tenacity and perseverance to pursue them, and believing in our own abilities. In order to cultivate more hope, start by visualizing the best possible version of yourself. What does it look like and what are the next achievable steps you can take toward this goal? Write down your answers. This will help you create a logical structure for the future and can help you identify concrete possibilities for improvement. Lastly, always remember that your track record for surviving tough days so far is 100 percent, which should certainly give you hope!

Zest: Zest is approaching life with vigor and enthusiasm. The winning combination for cultivating more zest is a mix of exercise, social connection and savoring the moment. In order to feel fully energized in the world around you, plan a hike with a friend, join a recreational sports league or engage in any other new physically active adventure while enjoying the company of others.

Gratitude: When it comes to maintaining a sense of gratitude and appreciation, practice makes perfect. We must make an effort to acknowledge, reflect on and emphasize the good things in life and watch carefully for negative self-talk. A gratitude journal can help keep yourself accountable. Each day, write down the best part of your day and one person you are grateful for. If you feel inclined, you could even reach out to that person directly to let them know.

Curiosity: Curious how curiosity leads to happiness? It's the fastest route to a profoundly satisfying sense of accomplishment. Curiosity helps us tap into our intellectual potential, master new tasks and reap social rewards. Reawaken your curiosity by reframing boring situations. Look for details in everyday situations you wouldn't normally notice and seek to learn more about them.

Love: Whether or not you subscribe to the notion that love is all you need, it is at least an important part of a happy life. Take time each day to cultivate more love by sitting quietly for a moment and wishing yourself and others happiness and peace. Try something simple like "may my sister find happiness and love" or "may my son be strong and healthy." Also, look for opportunities every day to offer small gestures or words of kindness to those you encounter.



How to Buy Happiness

Did you know that in the past 50 years the average amount of personal space (e.g., the size of your house, car, etc.) has tripled? At the same time, our debt and environmental footprints have increased, yet general levels of happiness have stayed the same. So what gives? It is apparent that spending money to have more "stuff" doesn't necessarily make us happier. However, if you believe money can't buy happiness, you may just be spending it wrong. Here are some proven purchases that increase happiness:

Charity: Studies show a positive link between charity and happiness. Time and time again, those who spend money on others become happier than those who spend the same amount on themselves. Gallup research confirms that the happiness people experience from giving to charity occurs worldwide despite variance in disposable income. Consider reallocating a portion of the money you typically (or impulsively) spend on 'stuff' to a charity or community initiative that has special meaning—the return on investment of doing good is warm and fuzzy feelings that will outlast a new a pair of shoes or the latest electronic gadget.

Experiences: When it comes to treating ourselves, spending money on experiences will increase happiness much more than buying items. If you don't have the funds for a grandiose vacation, don't worry, as a variety of experiences, from day trips to local festivals, cost less and improve your quality of life. It is our life experiences and the people we share them with that will lead to happiness. In addition to lasting memories, new experiences enable personal development and growth which also increases happiness.

Where you spend your time: When it comes to actually purchasing items, spend your money where you spend your time. If you are budgeting for more "stuff," it may help you prioritize if you consider where you actually spend your time and which purchases may truly make your life more enjoyable. For example, if you spend every evening on your deck, invest in a nice patio set and some plants or flowers.

Time: Buy yourself more time to do the things you love by hiring a babysitter, a housecleaner, etc. Purchases that afford you more time to enjoy life are a luxury worth the investment for many.

The *Wellbeing Insights* Newsletter is prepared for you by CBIZ ESO. The contributions included in this newsletter do not specifically reflect your employer's opinions. Consult your health care provider before making any lifestyle changes.

Contributing Writers

Abby Banks.....Wellbeing Account Manager

Emily Noll .....National Director of Wellbeing

Visit the CBIZ Wellbeing website at www.cbiz.com/wellbeing

CBIZ Employer Communications

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Changes Afoot for Form 5500 Filings

The Department of Labor's Employee Benefit Security Administration (EBSA) published two sets of proposed regulations (***Annual Reporting and Disclosure*** and ***Proposed Revision of Annual Information Return/Reports***), together with a **Fact Sheet**, on July 21, 2016. Of particular note, these proposals intend to make numerous overall changes to the Form 5500 for purposes of collecting data that will be used by EBSA to provide ongoing monitoring of plans to ensure compliance.

As background, retirement and welfare benefit plans subject to ERISA are required to file a Form 5500, together with appropriate Schedules, on an annual basis. Plans not subject to ERISA such as church plans not electing ERISA coverage or government plans, are exempt from the Form 5500 filing requirement.

On the welfare benefit plan side, the types of plans required to file a 5500 include medical, dental, vision, prescription drug, life insurance, disability, flexible medical spending accounts and employee assistance programs. Welfare benefit plans excepted from the 5500 filing include plans with fewer than 100 participants at the beginning of the plan year that are funded by an insurance contract, or the claims of which are paid from the general assets of the employer, or a combination of both.

The proposed forms revisions and implementing regulations would expand Form 5500 reporting requirement by eliminating the small plan exception, as mentioned above. These plans would be required to answer certain portions of the 5500, together with completion of the Schedule J, *Group Health Plan Information*. This new Schedule J will be used to report information about group health plan operations and ERISA compliance, plus compliance with certain provisions of the Affordable Care Act.

In addition, these regulations would require more extensive disclosure of fees and expenses in keeping with previously issued EBSA regulations.

Continued from Page 1

Written comments on these rules must be received by EBSA by October 4, 2016. While these Form 5500 changes are not slated to take effect until the 2019 filing year, which for a calendar year plan would be due in July, 2020, some of the proposed changes may take effect earlier.

Attention Self-funded Plan Sponsors: Be Aware of Potential Discriminatory Benefits

Several laws and regulations raise many questions with regard to health coverage and related matters based on gender identity disorder or gender dysphoria. Unfortunately, there are no clear guidelines. In a nutshell, categorical exclusions of coverage for individuals based on gender identity disorder or gender dysphoria will not withstand scrutiny. Neutral nondiscriminatory limitations may, on the other hand, survive scrutiny.

As background, three federal laws currently addressing these matters are as follows:

1. Title VII of the Civil Rights Act of 1964 prohibits discrimination based on race, color, national origin, sex, pregnancy, religion, age, disability, or genetic information. This law is regulated by Equal Employment Opportunity Commission (EEOC). Employers employing 15 or more employees, whether private or public sector, are subject to Title VII. No new EEOC regulations have been issued specifically addressing gender identity disorder or gender dysphoria; although the EEOC has indicated that it is including transgender matters under the category of sex discrimination and it is making it a priority. The EEOC does provide employment protections for lesbian, gay, bisexual and transgender workers; following are some EEOC publications addressing employment–based matters:
   - *What You Should Know About EEOC and the Enforcement Protections for LGBT Workers*
   - *Preventing Employment Discrimination against Lesbian, Gay, Bisexual or Transgender Workers*

2. Section 1557 of the Affordable Care Act addresses nondiscrimination based on health status. A summary of these rules is discussed in CBIZ Health Reform Bulletin 118, *Final HHS Rules on Nondiscrimination in Health Plans* (6/1/16). Generally, these regulations apply to insurers and third party administrators receiving federal funding, as well as self-funded employers receiving federal funding such as hospitals and nursing homes. These rules do not apply to employers sponsoring self-funded plans as long as the employer does not receive federal funding, which may include Medicare Part D retiree drug subsidies.

3. The DOL's Office of Federal Contract Compliance Programs (OFCCP) enforces Executive Order 11246 prohibiting sex discrimination in employment by covered contractors. To this end, the OFCCP released final regulations on June 14, 2016 addressing these matters. These rules, which take effect on August 15, 2016, require equal employment and fair pay treatment without discrimination based on sex, pregnancy, childbirth or related medical conditions, or gender identity. Employers subject to OFCCP regulations are those who have at least one federal contract equaling or exceeding $10,000, or have several contracts that together equal or exceed $10,000. Additional information including fact sheets and FAQs about these rules can be accessed on the **OFCCP's website**.

In addition, the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) may also come into play as it relates to mental health services and counseling.

It should also be noted that several states including California, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Maine, Nevada, Oregon, Vermont and Washington provide for certain insurance protections against discrimination based on sexual orientation and gender identity. In addition, an increasing number of states have been amending their civil rights and fair employment practices laws to prohibit discrimination on the basis of sexual orientation and gender identity. These states include:

California	Maine	New York
Colorado	Maryland	Oregon
Connecticut	Massachusetts	Rhode Island
Delaware	Minnesota	Utah
District of Columbia	Nevada	Vermont
Hawaii	New Hampshire	Washington
Illinois	New Jersey	Wisconsin
Iowa	New Mexico	

In summary, these matters for insured plans will generally be resolved by the insurer in that they have to comply with the ACA Section 1557 rules. Employers sponsoring self-funded plans will want to review self-funded plans carefully, with an eye toward any categorical exclusions. If the plan has a categorical exclusion of services, it will want to consider eliminating or modifying such exclusions so that it is nondiscriminatory and gender-neutral. Again, there is no clear guidance on what this means. But, an example might be an exclusion of hormone therapy for an individual going through gender transition whereas allowing hormone therapy for other reasons would not likely withstand scrutiny. Certainly, this is an area of the law that will evolve over time and as information becomes available, we will share it with you.

Updated Medicaid/CHIP Premium Assistance Notice

Employers sponsoring health plans are obligated to annually provide a premium assistance notice to their workforce. This notification can be accomplished by using a model notice provided by the Department of Labor (DOL). The DOL has recently updated its model Medicaid/CHIP notice (links to revised English and Spanish model notices below). The revised notice, current as of July 31, 2016, makes the following changes from the January 31, 2016 version:

- New Medicaid program information, website and phone numbers in Alaska and Arkansas; and
- Revised website addresses for Medicaid offices in Florida and Pennsylvania.

The notice explaining the right to premium assistance must be provided to employees residing in the below-listed states, without regard to where the employer is located, or where the plan is situsued:

States with Premium Assistance		
Alabama	Minnesota	Pennsylvania
Alaska	Missouri	Rhode Island
Arkansas	Montana	South Carolina
Colorado	Nebraska	South Dakota
Florida	Nevada	Texas
Georgia	New Hampshire	Utah
Indiana	New Jersey	Vermont
Iowa	New York	Virginia
Kansas	North Carolina	Washington
Kentucky	North Dakota	West Virginia
Louisiana	Oklahoma	Wisconsin
Maine	Oregon	Wyoming
Massachusetts		

As mentioned in last month's Benefit Beat, the Department of Labor recently increased penalties for certain reporting and disclosure failures. The penalty for failure to provide the Medicaid/CHIP notice is now $110 per day, per person, up from $100 per day, per person.

The revised Medicaid/CHIP notice can be viewed and/or saved from these website addresses:

ENGLISH

Word version:
http://www.dol.gov/ebsa/chipmodelnotice.doc
PDF version:
http://www.dol.gov/ebsa/pdf/chipmodelnotice.pdf

SPANISH

Word version:
http://www.dol.gov/ebsa/chipmodelnoticesp.doc
PDF version:
http://www.dol.gov/ebsa/pdf/chipmodelnoticesp.pdf

Paid Sick Leave Laws in City of Chicago and Montgomery County

In the ever-growing list of state and local jurisdictions enacting a paid sick leave ordinance, the City of Chicago is the most recent jurisdiction to join. While Montgomery County, Maryland enacted a paid sick leave ordinance last year, its implementation date is now around the corner. Following are brief summaries of these laws.

City of Chicago

Amendments to the Chicago Minimum Wage Ordinance to provide for **paid sick leave** was unanimously approved by the City Council and Mayor Rahm Emanuel on June 22, 2016 and becomes effective July 1, 2017. While this Ordinance does not take effect for some time and while implementing guidance will surely be issued between now and then, it is a good idea to begin reviewing existing leave plans to determine what changes may be necessary.

For purposes of the Ordinance:

- A ***covered employer*** refers to any individual, partnership, association, corporation, limited liability company, business trust, or any person or group of persons who gainfully employs at least one covered employee and maintains a licensed business facility within the geographic boundaries of the City.
- A ***covered employee*** is one who, in any particular two-week period, performs at least two hours of work for the covered employer while physically present within the geographic boundaries of the City. Covered employees eligible for paid sick leave are those who work a minimum of 80 hours within any 120 day period.

Use of leave. Paid sick leave can be taken to attend to the employee's own needs or the needs of a family member for the diagnosis or treatment of a physical or mental condition or preventive care services. For this purpose, a *family member* includes:

- A biological, adopted or foster child, stepchild or legal guardian or ward, or a child to whom the employee stands in loco parentis;
- A legal spouse or a domestic partner;
- A biological, foster, stepparent or adoptive parent, a legal guardian of an employee or a person who stood in loco parentis when the employee was a minor child, or the parent of the spouse or domestic partner;
- A grandparent;
- A grandchild; or
- A sibling.

In addition, leave may be taken upon the closure of business or school due to a public health emergency. Leave can also be used for medical or psychological services, relocation services, victim advocacy or other legal services that may be needed as a result of domestic abuse or sexual assault.

Amount of leave, accrual and carry-over. Employees will accrue at least one hour of sick leave for every 40 hours worked beginning on the later of 1) the effective date of the Ordinance or 2) the first day of employment. The amount of paid sick leave is capped at 40 accrued hours per 12-month period unless the employer provides for a higher limit. At the end of a 12-month accrual period, employees must be allowed to carry over a maximum of 20 unused hours to the next 12-month period. Employers subject to the federal Family and Medical Leave Act (FMLA) must permit up to 40 hours of unused accrued leave, in addition to the 20 hour per 12-month period amount, to carry forward for FMLA purposes.

Notification. Employers are required to provide a notice to employees about the leave that explains entitlement, use of leave, accrual and the right to file a complaint. If the need for leave is foreseeable, employers may require a 7-day advance notification of the need for leave. If the leave is unforeseeable, employees are required to notify their employer as soon as practicable. Reasonable documentation of the leave may be required in the event of an absence lasting 3 or more consecutive work days.

Montgomery County, Maryland

The Earned Sick and Safe Leave Law (Chapter 27 the County Code; also see Fact Sheet) was passed by the Montgomery County Council on June 23, 2015 and takes effect October 1, 2016.

For purposes of this law:

- ***Covered employers***. The law applies to all private and public sector employers operating and doing business within the County who employ 1 or more individuals in addition to the owner.
- ***Eligible employees*** are those who work for an employer in the County, including a domestic worker. Independent contractors and individuals who do not have a regular work schedule, or are employed by a temporary placement agency, or regularly work less than 8 hours per week are not eligible.

Use of leave. Upon the oral or written request by an employee, leave can be taken to attend to one's own needs or the needs of a family member for the diagnosis or treatment of a physical or mental condition or preventive care services. For this purpose, a *family member* includes:

- A biological, adopted or foster child, stepchild or legal ward, or a child to whom the employee stands in loco parentis;
- A biological, foster, stepparent or adoptive parent or legal guardian of an employee or an employee's spouse;
- A grandparent or spouse;
- A grandchild; or
- A sibling.

In addition, leave may be taken upon the closure of business or school due to a public health emergency. Leave can also be used for medical or psychological services, relocation services, victim advocacy or other legal services that may be needed as a result of domestic abuse, sexual assault, or stalking.

Amount of leave, accrual and carryover. Employees accrue at least one hour of sick leave for every 30 hours worked, beginning on the first day of employment. An employer may restrict a newly hired employee from using sick leave during an initial 90-day probationary period.

For employers with 5 or more employees, accrued leave is capped at 56 hours per calendar year; use of sick leave is capped at 80 hours per calendar year. For employers with fewer than 5 employees, accrued leave is capped at 32 hours of paid sick leave and 24 hours of unpaid sick leave per calendar year. Use of paid or unpaid sick leave is capped at 80 hours per calendar year.

At the beginning of a calendar year, an employer can opt to front load the full amount of sick leave that an employee would earn in a calendar year. An individual can carry over up to 56 hours of sick leave to the following year. Earned sick leave need not be paid upon termination of the employee.

Notification. Employers are required to provide a notice to employees about the leave that explains entitlement, use of leave, accrual and the right to file a complaint. Such notification may be satisfied by posting a notice in each workforce location, by including it in an employee handbook and by providing it to new employees upon hire. Employers must also provide employees with a written statement of earned sick leave each time wages are paid or maintain a system where employees may access their own earned leave balances.

Employees must notify the employer of the need to use sick leave as soon as practicable. Reasonable documentation of the leave may be required in the event of an absence lasting 3 or more consecutive work days.

ABOUT THE AUTHOR:

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. Ms. McLeese is based in the CBIZ Kansas City office.

Subject: **Best Practices for Employer Responses to Marketplace Notices**
Date: July 11, 2016

Many employers may be receiving marketplace notices indicating that certain of their employees have been granted premium assistance. Rumor has it that a big batch of these notices was sent out in late June. What should employers do in response to these notices?

As background, individuals whose household income falls between 100 and 400% of federal poverty level and who are not offered adequate affordable coverage by their employer, or who have not enrolled in minimum essential coverage, may be entitled to premium assistance for the purchase of health coverage. If an individual is granted premium assistance and if the individual provides the marketplace with his/her employer's contact information, then the marketplace may notify the employer of the employee's receipt of premium assistance. This notice then provides an opportunity for the employer to appeal the marketplace decision. For additional background information about these marketplace notices, see CBIZ Health Reform Bulletin 117, *Employer Appeals - Marketplace Decisions* (4/18/16) and HRB 115, *Employer Notices of Marketplace Determinations* (10/12/15).

These marketplace notices may be sent to employers of any size, not just those employers subject to the ACA's employer shared responsibility provisions. It is very important to note that this marketplace notice is **not** a tax assessment – only the Internal Revenue Service can assess the tax owed, if applicable. An employer subject to the ACA's employer shared responsibility provisions may be assessed an excise tax (pursuant to IRC §4980H(a) or (b)) if it fails to offer adequate and affordable health coverage to its full-time employees. However, no excise tax would be imposed if an individual enrolls in minimum essential coverage without regard to whether it is affordable.

The employer owes no tax unless and until the IRS contacts the employer. The IRS would contact the employer after the employer has filed its Forms 1095-Cs with the IRS, and the individual taxpayer has filed his/her tax return in the year following the year in question. Conversely, the marketplace notice is issued at the time the individual is granted premium assistance.

How to Appeal a Marketplace Decision

Employers can appeal a marketplace determination by completing an "**Employer Appeal Request Form**", or by mailing a letter to the Department of Health and Human Services (HHS) that contains the information requested in this Form. The *Employer Appeal Request Form* can only be used to appeal a marketplace notice received from the federally-facilitated health insurance marketplace (healthcare.gov), or a state-based Marketplace operating in California, Maryland, Colorado, Massachusetts, District of Columbia, New York, Kentucky, or Vermont. Other state-based marketplaces may have their own notices and processes they utilize for notifying employers of the right to appeal a marketplace decision. With regard to an appeal relating to a Small Business Health Options Program (SHOP) eligibility decision, visit this website for more information: https://www.healthcare.gov/small-businesses/choose-and-enroll/appeal-a-shop-decision/.

The *Employer Appeal Request Form*, or letter to HHS, must be submitted within 90 days from the date of the Marketplace notice. The completed form and copies of any supporting documents must be mailed to:

Health Insurance Marketplace
Dept. of Health and Human Services
465 Industrial Blvd.
London, KY 40750-0061

In the alternative, the Form or letter, together with supporting documentation, may be faxed to a secure fax line: 1-877-369-0129.

Additional information about employer appeals to Marketplace decisions is available at this website: https://www.healthcare.gov/marketplace-appeals/employer-appeals/.

Best Practices for Employers

Following are some best practice steps that employers can take in light of these marketplace notices when appealing a marketplace decision:

- ❑ Maintain accurate records of all employees and their status as full-time or part-time.
- ❑ Maintain records of offers of health coverage to your employees, including records of health coverage declination.
- ❑ Notify internal staff, such as your HR department or affiliate offices, to watch for receipt of a marketplace notice. Educate your staff on the importance of notifying a central source, such as HR department, in the event of receiving a marketplace notice.
- ❑ Remember the marketplace notice will reflect the individual's current year status.
- ❑ If the employer is subject to the ACA's employer shared responsibility provisions (one who employs 50 or more employees) and receives a marketplace notice, review the notice and determine:
    1. The employment status of the individual. For example, was the individual a full-time employee or part-time employee at the time in question; or, was the individual not an employee;
    2. Whether the individual was offered adequate and affordable coverage or enrolled in minimum essential coverage of any kind; and
    3. Whether the individual was in a limited non-assessment period such as a waiting period or an initial measurement period.

  If the individual was a full-time employee at the time referenced in the marketplace notice and if an offer of adequate affordable coverage was made, or if the individual was enrolled in minimum essential coverage of any kind, the employer might want to respond to the marketplace notice. In all other instances, the employer would not want to appeal if the individual is properly entitled to premium assistance.
- ❑ Be aware of the timeframe for making the appeal. The *Employer Appeal Request Form* or letter to HHS, together with supporting documents, must be mailed or faxed within 90 days from the date of the marketplace notice (see address and fax number above).
- ❑ Maintain confidentiality. It is very important that any sensitive information contained in the notice be similarly protected in the employer's appeal. The marketplace notice should be reviewed carefully and only the types of identifying information contained in the notice, such as truncated social security numbers, should be used in the appeal.

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B&I Webinar Series 2016

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Need an update on the Affordable Care Act, a look at consolidating benefits and payroll systems, the latest on compensating executives in privately held companies, or a check-in on wellbeing programs? The 2016 CBIZ Benefits & Insurance Services (B&I) webinar series brings you all these topics and more. Gain insight into some of today's most compelling workplace subjects via our convenient, cost-effective webinar format. Learn and grow from our expert speakers. Sign up for free today.

MARCH

Affordable Care Act Update: Has the Dust Settled Yet?

Tues., March 8 - 10:30 to 11:30 a.m. Central Time

Revisits the ACA, including a look at which of the late-2015 changes could impact group health plans and what benefit changes to expect in 2016.

Presenters: Karen McLeese, VP of Regulatory Affairs, CBIZ Benefits & Insurance Services, Inc.; Bill Smith, Managing Director, CBIZ MHM National Tax Office

For: HR executives or anyone else responsible for HR compliance, COOs and CEOs. Employers of all sizes are welcome to attend.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

Executive Compensation in Privately Held Companies: Best Practices in Today's Competitive World

Tues., March 29 - 10:30 to 11:30 a.m. Central Time

Looks at setting pay philosophy, measuring and establishing pay levels, designing annual and long-term incentive plans, and understanding executive employment and benefit arrangements in privately held companies.

Presenter: Hal Wallach, Director, Executive Compensation Consulting, CBIZ Human Capital Services

For: Privately held company C-suite and board members, HR executives and compensation specialists. Employers of all sizes are welcome.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

APRIL

The Evolution of Benefits and Payroll Integration: Advancing Your Options

Tues., April 19 - 10:30 to 11:30 a.m. Central Time

Looks at how the integration of benefits and payroll has evolved over the past decade and what you can do to identify the best combined solution for your organization.

Presenters: Jim O'Connor, CEO, and Wendra Johnson, Chief Business Development Officer, CBIZ Employee Services Organization

For: HR professionals and C-suite executives. Employers of all sizes are welcome to attend.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

MAY

From Wellness to Wellbeing: Take a Healthy Look at Your Workplace

Tues., May 10 - 10:30 to 11:30 a.m. Central Time

Reviews how employers can benefit from expanding traditional wellness programs to include a wider range of wellbeing initiatives. Learn the keys to creating a culture in which employees can sustain high wellbeing.

Presenters: Lacey McCourt and Amy Howell, CBIZ Wellbeing Consultants; Emily Noll, National Director of CBIZ Wellbeing Solutions

For: HR and benefits managers, executive and financial officers, and anyone responsible for managing employee health and wellness. Employers of all sizes are welcome.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

JUNE

Impact Positive: Why You Should Coordinate Wellbeing and Workplace Safety

Wed., June 1 - 10:30 to 11:30 a.m. Central Time

Addresses how coordinating wellness/well-being and risk management programs within an organization can help prevent workplace-related injuries and illnesses – and lead to overall improvement in workplace safety.

Presenters: Rob Kaelin, Midwest-West Regional President, CBIZ Insurance Services, Inc.; Jack Bastable, Executive Wellbeing Consultant, CBIZ Wellbeing Solutions; Paul Beck, CSP, ARM, OHST, Sr. Risk Consultant, CBIZ Insurance Services, Inc.

For: CEOs, CFOs, HR directors and managers, risk managers. Employers of all sizes are welcome to attend.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

Audit Alert: How to Keep Your Benefits Plans in Good Order

Tues., June 21 - 10:30 to 11:30 a.m. Central Time

Focuses on being prepared for a benefits plan audit, whether from the Department of Labor, the IRS or Treasury Department, the Department of Health and Human Services, or simply from your own internal auditors.

Presenter: Karen McLeese, VP of Regulatory Affairs, CBIZ Benefits & Insurance Services, Inc.

(continued on back page)

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FOR MORE INFORMATION send an email to juditha@cbiz.com.

All information listed on these pages, including dates, times, presenters and other webinar details, is subject to change without notice.

HRCI-APPROVED PROGRAMS!

Each of the activities listed here has been approved for HR (General) recertification credit toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute. See the individual listings for the amount of credit. The use of this seal is not an endorsement by the HR Certification Institute of the quality of the activity. It means that the activity has met the HR Certification Institute's criteria to be pre-approved for recertification credit.

B&I Webinar Series 2016

AUDIT ALERT *(continued from front page)*

For: HR executives or anyone else responsible for HR compliance, chief operating officers and chief executive officers. Employers of all sizes are welcome.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

JULY

Self-Funding for the Mid-Sized Employer: Can It Save Your Company Time, Money and Resources?

Tues., July 19 - 10:30 to 11:30 a.m. Central Time

Covers the opportunities and options available for mid-sized employers now and in the near future as they consider self-funding as a way to mitigate health care costs, ease administrative burdens and improve their employees' experiences.

Presenter: Cole Harris, Vice President of Sales and Marketing, CBIZ Benefits & Insurance Services, Inc., Tennessee

For: HR professionals at all levels and C-suite executives. For employers with 50 to 1,000 employees.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

AUGUST

Next Practices in Workplace Wellbeing: How to Successfully Engage Your Organization

Tues., Aug. 2 - 10:30 a.m. to Noon Central Time

Showcases the innovative strategies of the 2015 winners of the Edington-CBIZ Next Practice awards in wellbeing. Learn about best practices for creating a culture of workplace wellbeing that helps employees thrive.

Presenters: Dr. Dee Edington, Founder of Edington Associates, LLC, author of several books on wellbeing; Jack Bastable, CBIZ Executive Wellbeing Consultant; and winners of the 2015 Edington-CBIZ Next Practice Award

For: HR and benefits managers, executive and financial officers, and anyone else responsible for managing employee health and wellness. Employers of all sizes are welcome to attend.

Credit: Approved for 1.5 HR (General) recertification credit hours toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

Retirement Plan Trends in Today's Health Care Market: Best Practices in a Changing Landscape

Tues., Aug. 16 - 10:30 to 11:30 a.m. Central Time

Looks at retirement plan trends in the health care marketplace, specifically hospitals – focusing on plan design, employer contribution rates and income replacement ratios, and more.

Presenter: Mike Kasecamp, CPFA, QKA, Vice President, Retirement Plan Consultant, CBIZ Retirement Plan Services

For: CFOs, CEOs, HR professionals and anyone else responsible for managing employee benefits in the health care industry. Employers of all sizes are welcome.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

SEPTEMBER

Protecting Employee Personal Information: Know the Right Thing To Do

Tues., Sept. 20 - 10:30 to 11:30 a.m. Central Time

Focuses on how employers can best protect the personal information they have on their employees.

Presenter: Karen McLeese, VP of Regulatory Affairs, CBIZ Benefits & Insurance Services, Inc.

For: HR executives or anyone else responsible for HR compliance, COOs and CEOs. Employers of all sizes are welcome to participate.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

OCTOBER

Shielding Your Business Against the Loss of a Key Employee

Tues., Oct. 18 - 10:30 to 11:30 a.m. Central Time

A webinar on why key-person life insurance is so important to your business. Discusses several important advantages of this type of insurance, from protecting against the business's loss of revenue upon the death of a key person to generally income-tax free death benefits, and more.

Presenter: Don Kim, Director of Product and Carrier Intelligence, CBIZ Life Insurance Solutions, Inc.

For: HR managers and chief financial officers. Geared toward organizations with 50 to 100 employees.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

NOVEMBER

Legislative Update: The Year in Review

Tues., Nov. 15 - 10:30 to 11:30 a.m. Central Time

Annual review of benefits and other employer/-employee-related laws that affect your business, including any additional new and relevant legislation on the books.

Presenter: Karen McLeese, Vice President of Regulatory Affairs, CBIZ Benefits & Insurance Services, Inc., and Bill Smith, Managing Director, CBIZ MHM National Tax Office

For: HR executives or anyone else responsible for HR compliance, COOs and CEOs. Employers of all sizes are welcome.

Credit: Approved for 1 HR (General) recertification credit hour toward California, GPHR, HRBP, HRMP, PHR and SPHR recertification through the HR Certification Institute.

HRCI-APPROVED PROGRAMS!

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TO REGISTER for 2016 webinars, go to www.cbiz.com and look under "Webinars & Events." (If you are viewing an electronic PDF of this flier, click on the webinar title to link to the corresponding registration page.)

FOR MORE INFORMATION send an email to juditha@cbiz.com.

All information listed on these pages, including dates, times, presenters and other webinar details, is subject to change without notice.

SPECIAL SUPPLEMENT:

EEOC RELEASES SAMPLE NOTICE FOR WELLNESS PROGRAMS

As promised in the wellness program regulations issued by the Equal Employment Opportunity Commission (EEOC), the EEOC released a **sample wellness program notice**, together with a set of **Questions and Answers**, specific to the notice requirement. For a summary of these regulations, please refer to the May 25, 2016 edition of the *At Issue*.

As background, the EEOC **rules under the Americans with Disabilities Act** (ADA) clarify how and when incentives can be used to encourage participation in wellness programs that require individuals to respond to health-related inquiries and/or undergo medical examinations. The EEOC **rules under the Genetic Information Nondiscrimination Act of 2008** (GINA) clarify how and when a spouse's medical information can be used in employer-sponsored wellness programs.

In accordance with the ADA rules, employers sponsoring wellness programs are required to provide written notification to employees that describes the type of medical information that will be collected, the specific purposes for which the medical information will be used, who receives the information and the manner in which the information will be kept confidential.

While the EEOC's sample language can be used verbatim, it does contain blanks that must be filled in, based on the specific wellness program. The EEOC recommends employers to tailor the sample language to the employer's particular program. A separate notice need not be provided if all of the information contained in the EEOC notice is included in an existing wellness program notice.

The notice can be provided to employees in hard copy or electronically as long as it is clearly identified in the communication. A plan sponsor can contract with a wellness vendor to provide the notice; however, the plan sponsor remains ultimately responsible to ensure that it is done. While employees receiving the notice are not required to acknowledge receipt of the notice, if an incentive is to be provided for spousal participation in the wellness program, the GINA rules require prior, knowing and voluntary written authorization from the spouse.

The employee notification requirement becomes applicable for plan years beginning on or after January 1, 2017. Employees must receive the notice prior to the collection of any health information in order to determine whether to participate in the wellness program.

ISSUE 68 • SUMMER 2016

BIZGROWTH STRATEGIES

IDEAS TO HELP GROW YOUR BUSINESS

3 Questions Every Board Should Ask about Enterprise Risks

Protecting Your Wealth: 3 Key Questions You Need to Ask

Your Summer HR Strategy: *KEEPING MOMENTUM*

3 Traits to Look for in a Health Insurance Advisor

USING FULFILLMENT BY AMAZON: State & Local Tax Issues at Stake

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To view the electronic versions of current and past issues of *BIZGrowth Strategies*, visit **cbiz.com/news/newsletters**.

To register for our online version, visit **cbiz.com/invitation.asp**.

You can also call us at **1-800-ASK-CBIZ** (1-800-275-2249).

CBIZ in the News

USA Today
Tax refund late? The IRS may owe you interest
May 22, 2016

Forbes
4 ways to improve communicating with employees about benefits
April 28, 2016

Business News Daily
DIY IT: What your small business needs to know
March 11, 2016

For complete articles, visit **cbiz.com/news/in-the-news**.

Management & Performance

3 Questions Every Board Should Ask about Enterprise Risks

BY **MICHAEL GALLAGHER**

It is crucial that Boards of Directors are well-versed on the risks confronting their companies, but changing risk landscapes create challenges. Failure to understand high-risk areas and risk-mitigation procedures can decrease the effectiveness of the Board's oversight of management and its ability to constructively challenge proposed changes in the best interest of the company. Asking the following three questions can help educate Board members on existing risks and procedures to make sure the entire committee is on the same page.

1. How is our organization identifying risks across the enterprise?

Boards need to understand risks across their entire organization and be aware of how they can affect operations and profitability. A Board can't evaluate these risks, however, if the organization hasn't identified what they are. Pinpointing risk factors early allows time to plan mitigation strategies, which could save your business from potential disruptions in the future.

Risk identification can be done at the Board level, management level or individual business unit level. Some strategies to consider integrating into your enterprise risk identification program are:

- Facilitate a brainstorming session with key stakeholders to share risks and current procedures. Invite key stakeholders, such as Board members, management and business unit leaders, to share the risks they are aware of that may be unknown to others.
- Conduct a SWOT (strengths, weaknesses, opportunities and threats) Analysis to map out current weaknesses and threats to your organization.
- Use information technology resources to scan for potential digital threats against your organization.
- Hire a third party to review your operations, exposures and current strategies and identify ways to improve them.

2. What emerging risks are we currently aware of?

Mitigation plans that are developed based on identified enterprise risks need to remain flexible to account for emerging risks. These risks can evolve quickly and often destroy businesses that are not prepared to face them. Some key risks companies may face in 2016 include:

- cyber-related risks and attacks
- rules and regulations in foreign markets
- growth and volatility in the global economy
- talent management and succession planning
- risks associated with third-party vendor relationships

3. Does our existing reporting structure meet industry standards?

How effective your risk management program is depends on how effectively your organization communicates. Risk reporting should be used to illustrate success, failure and opportunity to key stakeholders. These communications should be interactive, with time built in for questions and discussion. If your organization does not have a reporting structure in place, consider establishing one to drive transparency. If you have a reporting structure, you could benefit from benchmarking your process and frequency against industry peers.

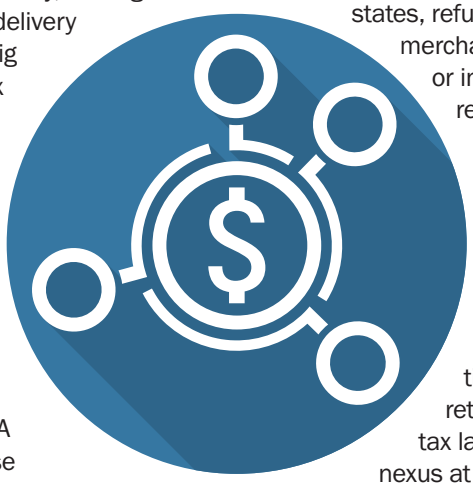
Enterprise risk management is an ongoing process. Identifying and reporting risks a single time is not sufficient to prepare an organization for potential disruptions. It is important that Board members are well-versed on the ongoing enterprise risk management program so they can effectively provide guidance and oversight to the organization. When a Board of Directors takes an active interest in the company's internal controls, that organization is better equipped to meet the challenges in its current environment.

MICHAEL GALLAGHER
CBIZ Risk & Advisory Services
Houston, TX
713.562.1154 • mgallagher@cbiz.com

Using Fulfillment by Amazon: State & Local Tax Issues at Stake

BY **GEOFFREY J. CHRISTIAN** & **TR YODER**

Fulfillment by Amazon (FBA) is a service provided by Amazon used by merchants and retailers. This service allows online retailers to use Amazon's personnel and facilities to handle the fulfillment process. Retailers who use FBA benefit not only from the order taking, handling, packaging and storage of inventory, among other services, but also from the quick delivery of product to their customers. While a big opportunity for the retailer, the sales tax implications of using such a service should not be overlooked.



Can an *Amazon warehouse location* create sales tax nexus for an online retailer?

Nexus is defined as the minimal connection that must be present between a state and a business that requires the business to remit tax to the state. The physical storage of an FBA retailer's goods in an Amazon warehouse constitutes this minimal connection. This can cause a retailer operating in just one state to suddenly be operating in every state where inventory is being held and may establish nexus and sales tax reporting requirements in every state that the retailer houses inventory.

Can *Amazon fulfillment services* create sales tax nexus for an online retailer?

An online retailer can also establish nexus in a state by use of Amazon's fulfillment services. Activities performed by a third party generally create nexus for a retailer if the activities are closely related to the taxpayer's ability to carry on business in the state. FBA includes warehousing of inventory, order processing, returns management, etc. These activities are closely related to the taxpayer's ability to carry on business in that state, thereby establishing nexus.

Taxability of Sales

Once nexus is established in a state, sales of tangible personal property (TPP) from the retailer into that state may require the collection and remittance of sales tax. Generally, TPP is subject to sales tax in all but five states, unless exempted by statute. Usually, most FBA merchandise will be taxable.

Alongside its FBA service, Amazon provides a service called the Tax Collection Service that assists with the sales tax compliance for a retailer's product sales once the retailer has registered with a state. This simplifies the task of keeping up with product sales for the online retailer. Management of the service is the responsibility of the retailer and includes determining which states require collection of sales tax, calculating the correct tax liability, filing returns and remitting tax to the various states, refunding tax to customers for returned merchandise, and reporting any penalty and/or interest on sales tax materializing as a result of the FBA process.

Sales tax compliance for retailers participating in FBA business is not only a requirement but also an added cost of time and money. This is causing some retailers with immaterial sales to forego state tax registrations until a later point in time when their sales increase. Other retailers may be unaware of states' sales tax laws while others may think they have no nexus at all. In the end, registration and filing/remitting sales tax is a decision that each retailer needs to consider. The online retailer should consider issues such as the length of time nexus has existed, its ability to pay any assessed taxes, interest and penalties resulting from an audit, and the cost of implementing sales tax compliance into its business operations.

The safest approach for all companies would be to enroll in Amazon's Tax Collection Service to make nexus, taxability and collection determinations. Addressing the sales tax compliance and state registration up front is advantageous over the consequences of noncompliance. If monitoring the inventory location is difficult, consideration should be given to the registration and sales tax collection in all states where Amazon has warehouses.

GEOFFREY J. CHRISTIAN
CBIZ MHM, LLC – National State & Local Tax
Greenville, SC
864.241.2009 • gchristian@cbiz.com

TR YODER
CBIZ MHM, LLC – National State & Local Tax
Greenville, SC
864.478.1140 • tyoder@cbiz.com

Employee Benefits

3 Traits to Look for in a Health Insurance Advisor

BY **JOSEPH E. ELLIS**

Two years ago, the Affordable Care Act (ACA) was pretty well established and most employers with reasonably sound health benefit plans were meeting the necessary requirements. The general rule of thumb was that if an employer bought coverage through a major health carrier, they could usually be confident that coverage would meet the requirements.

Oh, how much has changed in just a couple of years!

It's one thing for the ACA to mandate the amount of coverage that must be offered and to dictate how much an employer can charge its employees for the coverage, but it is an entirely different issue when it comes to reporting the required information to the Federal Government.

However, we are finding there are other pressing issues employers are facing that are even higher priorities than the ACA. One of the most pertinent issues is attracting and retaining high-caliber talent in a fluid employment market that demands high costs for hiring and training.

With these issues as background, it would be wise to rethink the traits you should look for in a health insurance advisor in today's environment. Top priorities should include:

1. **Tenure:** Find an advisor who has been in business for a reasonably long time. This assures you that he or she has witnessed the changes in the industry and can relate to your business. At the same time, you'll want a firm that employs an age-diverse group of consultants. There's no better way to understand what it takes to retain top talent than to have the input of different age demographics.
2. **Vision:** Find someone who can see the bigger picture while maintaining a realistic scope of vision. They should make room for flexibility in the long term while recognizing the issues that are of importance now. Having a vision for what motivates various segments of your workforce should be paramount, too. The advisor should be able to translate the diverse characteristics of your workforce into worthwhile benefit choices.
3. **Communication:** You want an advisor who can easily communicate complex issues in the simplest terms. The message to you, and especially the rest of your senior management staff, should be offered as "non-insurance talk." Messages need to be delivered fairly, openly and honestly. Great care should be shown in any communication to you and your staff, regardless of individuals' levels, ages, job titles and incomes.

In summary, you should take a smart, strategic and thoughtful approach to your benefits strategy. Seek an advisor and a package that meets your employees' needs, helps you navigate the labyrinth that is the ACA and knows what really attracts and retains top talent. Make sure your advisor has the acumen to see shifts and advise accordingly. If you get even the slightest feeling of being underserved, there is an advisor tuned into your needs just waiting for you to invite them in to see you.

JOSEPH E. ELLIS
CBIZ Benefits & Insurance Services
Plymouth Meeting, PA
610.862.2242 • jellis@cbiz.com • @JEllisSr

Human Resources

Your Summer HR Strategy: *Keeping Momentum*

BY **CLAIRE BISSOT**

Closing out 2015 has been a more challenging task for HR professionals in the U.S. than in past years. In addition to the usual open enrollment, compliance audits, benefit plan discrimination testings and everything else, we had to tackle ACA. It was not an easy feat, but we fought through it and are probably finding ourselves catching our breath. Now what?

Find some time for yourself, but don't lose momentum! Your HR career is not a lot of little sprints forced by deadlines but rather a marathon that requires pacing. This summer, find the moments to recharge and then keep running.

Often, HR gets so bogged down with paperwork and checklists that we don't make time for strategy. Summer is the season to make that time. To start, think about some core strategic initiatives important to every business and assess your organization's status in each. A few things to consider include:

Do you have a successful training program in place? Think not only about HR courses like anti-harassment, ethics and HIPAA but also about manager-in-training programs, career development, conflict resolution and team building.

When was the last time your employee handbook was reviewed? The laws have changed; your handbook may have not. While you may have seemingly more important things to do, do not let this task slip through the cracks.

Is there an up-to-date succession plan in place? Your organization has a responsibility to protect its employees' livelihoods and ensure the business stays sound during any transitions. Without a succession plan, your business could be in jeopardy.

(Continued on page 8)

Insurance Strategies

Protecting Your Wealth: 3 Key Questions You Need to Ask

BY **PEGGY ARLEDGE**

A very important and often overlooked aspect of wealth accumulation and preservation is working with an insurance professional who partners with other advisors, including accountants, wealth managers, attorneys and business managers, to holistically serve their clients. A trusted property and casualty advisor is one who ensures they understand their client's lifestyle, assets, tolerance for risk and complexities, such as multi-state and/or non-U.S. residences, employing domestics and serving on non-profit boards. This engagement is crucial to identifying potential exposures, developing a property and casualty plan for risk transference, and engaging resources that can assist with reducing and mitigating risks as part of the overall wealth preservation strategy. If a significant uncovered loss occurs, one's financial portfolio is negatively impacted. The following questions can help you identify potential areas of risk.

1. Is your home properly insured and protected?

Rebuilding a home presents different costs than building a new home, such as demolition, debris removal, architectural and interior design fees, a builder's profit, and materials that are of like kind and quality based on current pricing.

If you suffered a total loss and wanted to avoid the requirement to rebuild your home, does your policy afford you this option? The niche market space of high-net-worth carriers does. While you may have loved the home and area at one time, perhaps moving away from the location where you experienced an emotional loss would be advantageous. This means you also would have the option to sell the land, which doesn't involve anyone's approval.

2. Do you have enough personal excess liability insurance?

When was the last time you evaluated your tolerance for risk and how that correlates to your net worth and legacy planning? This is one of the most important contracts you can purchase and one of the most affordable. Serious consideration about the cost to transfer a large judgement and the defense costs that accompany it versus the cost to self-insure for a scenario should be discussed with your wealth manager and other advisors.

How does your contract respond to the cost to defend you? Is the defense cost "within" or "in addition" to your liability limit? Another benefit amongst so many that high-net-worth carriers offer is defending you at their cost so that their legal defense does not erode the coverage limit necessary for a potential judgement.

3. Do you employ a private staff?

When was the last time you asked your tax advisor for the IRS' definition of who is an employee? You will likely be surprised by the answer. There are times when an independent contractor can be deemed your employee. This is a worthy discussion to have and one that your insurance advisor should be having with you and your tax advisor. You can purchase coverages to protect yourself from injuries an employee suffers while "in your employment," as well as coverage designed to defend you in lawsuits alleging wrongful termination, discrimination, harassment, emotional distress and breach of contract amongst others. These types of lawsuits are on the rise.

Take time to proactively get your personal life in order by engaging a property and casualty specialist who will design a customized plan for you. Your personal insurance plan should be by design – not by default – as should the broker you hire to serve you.

PEGGY ARLEDGE
CBIZ Insurance Services, Inc.
Boca Raton, FL
561.862.7259 • parledge@cbiz.com

CBIZ

Our business is growing yours

Human Resources *(Continued from page 6)*

Are your ready for next year's ACA filing and all the in between? Refine your approach to manage eligibility and don't allow yourself to get behind.

Is HR providing value to your business? Self-reflection is critical for growth and improvement. Ask yourself these questions to see what else you could do specific to your organization's success:

- Is HR truly serving your organization to the best of its abilities?
- What struggles did you face and what deadlines were missed?
- What did you do well that made a significant difference for your organization that could be enhanced even more?
- What new ideas have you developed or approaches have you changed?
- What did your managers and leaders struggle with most last year and how can you assist them in achieving their goals?
- What are your HR goals for the year?

Also, take time to look at your personal development. Are you taking ownership of self-growth? It's easy to wait for guidance and instructions. Don't! Do a self-review and develop goals for your summer. Here are some things to consider:

Get certified. Do you have your HRCI or SHRM certification? Prepare yourself now; make a commitment and schedule time to study.

Need a book for vacation? Understanding the business, the people and leadership is critical for success. Often this can be acquired through experience, but learning and improvement can be significantly enhanced when coupled with books. Ask for recommendations or check out some classics; just get reading!

How have you been handling stress? Maybe it's time to find your outlet be it working out, meditation or a hobby. Take some time to explore what works for you.

By taking the time to work on some strategic initiatives and developing yourself, you will be further proving the ROI for the entire HR function and improving your career as a strategic thinker and valuable business contributor.

CLAIRE BISSOT
CBIZ Human Resources Services
Roanoke, VA
540.853.8007 • cbissot@cbiz.com • @cbiz_hcs

CBIZ In The News

ST. LOUIS POST-DISPATCH

St. Charles School District opens health clinic for employees

FEBRUARY 03, 2016 12:00 AM

The city of St. Charles School District recently held a grand opening for its new wellness clinic called The Bridge Health Center, according to a press release.

Housed at 2424 Zumbehl Rd., located on the south side of the Lewis & Clark Career Center, The Bridge Health Center is designed to provide primary and preventative healthcare to employees, dependents over the age of two and pre--Medicare retirees.

The completion and opening of the The Bridge Health Center marks the culmination of two years of planning, preparation and construction on the project.

"The Bridge Health Center was born out of our desire to provide quality care for employees, while addressing the costs of healthcare," said Dr. Charles Brazeale, assistant superintendent of business and technology. "We first started considering an employee clinic two years ago and have been working with our consultants at CBIZ for the past 18 months to investigate and implement the clinic."

The Bridge Health Center will offer primary care services with significant cost savings for the patient. This type of cost savings is an obvious benefit to employees and their families.

Additionally, savings are captured and passed on to the school district, savings that will also impact the residents of the city of St. Charles.

"Our estimates are that the district will save two dollars in health expenses in the marketplace for every one dollar spent for The Bridge Health Center," Brazeale said.

When designing a healthcare solution for its employees, the city of St. Charles School District took two major factors into account: time and convenience. With these concerns in mind, The Bridge Health Center has integrated a system that allows employees to schedule appointments online. Appointments are booked in 20-minute slots and are never doublebooked, leaving an average wait time of two minutes.

"When listening to our employees, we heard that time spent and convenience were big concerns when seeking healthcare," said Dr. Jeff Marion, superintendent to the city of St.

Charles School District. “We feel The Bridge Health Center addresses these concerns in an effective and efficient manner.”

The Bridge Health Center will be managed and operated by CareHere, an independent healthcare company based out of Nashville, Tenn.

“CareHere is honored to have been chosen by the city of St. Charles School District as their partner,” said Ernie Clevenger, president and CEO of CareHere. “Our goal is to provide primary and preventative care resources to help inspire employees and their families to reach their health and wellness goals."

BUSINESS INSURANCE®

July 20, 2015 www.businessinsurance.com

SPECIAL REPORT

100 LARGEST BROKERS OF U.S. BUSINESS*

Ranked by 2014 brokerage revenue generated by U.S.-based clients

2015 rank	2014 rank	Company	2014 U.S. brokerage revenue	Percent change
1	2	Marsh & McLennan Cos. Inc.[1]	$5,834,700,000.	5.7%
2	1	Aon P.L.C.	$5,811,186,500	4.5%
3	3	Arthur J. Gallagher & Co.[1]	$2,400,400,000	13.7%
4	4	Willis Group Holdings P.L.C.[1]	$1,732,820,000	3.7%**
5	5	BB&T Insurance Holdings Inc.[1]	$1,713,527,200	8.3%
6	6	Brown & Brown Inc.[1]	$1,567,459,943	15.6%
7	7	Wells Fargo Insurance Services USA Inc.	$1,298,884,000	(3.8%)
8	9	USI Holdings Corp.[1]	$912,890,811	16.7%
9	8	Lockton Cos. L.L.C.[2]	$910,572,960	10.2%
10	10	Hub International Ltd.[1]	$907,065,600	18.0%
11	11	National Financial Partners Corp.[1]	$795,986,566	7.3%
12	12	Alliant Insurance Services Inc.[1]	$618,929,905	13.2%
13	13	AssuredPartners Inc.[1]	$449,110,764	29.9%
14	NR	Towers Watson & Co.	$444,640,300	19.1%
15	14	Jardine Lloyd Thompson Group P.L.C.[1,3]	$354,796,431	122.5%**
16	19	BroadStreet Partners Inc.[1]	$246,355,000	63.0%
17	15	Leavitt Group[1]	$222,453,000	9.8%
18	16	CBIZ Benefits & Insurance Services Inc.[1]	$206,100,000	7.1%
19	42	Acrisure L.L.C.[1]	$191,273,467	147.1%
20	25	Integro USA Inc.[1]	$169,901,600	51.6%

NR Not ranked in 2014. *Companies that derive more than 49% of their gross revenue from personal lines benefits are not ranked. **2013 restated. 1 Reported U.S. acquisitions in 2014. 2 Fiscal year ending April 30. 3 British pound = $1.5586. 4 Fiscal year ending May 31. 5 Fiscal year ending March 31. 6 Fiscal year ending June 30. 7 British pound = $1.5205. 8 Acquired by Marsh & McLennan Agency L.L.C. in 2015. 9 Fiscal year ending Sept 30. 10 Fiscal year ending Feb 28. 11 Fiscal year ending Aug. 31.

Source: *BI* survey

BENEFITS SPECIALISTS

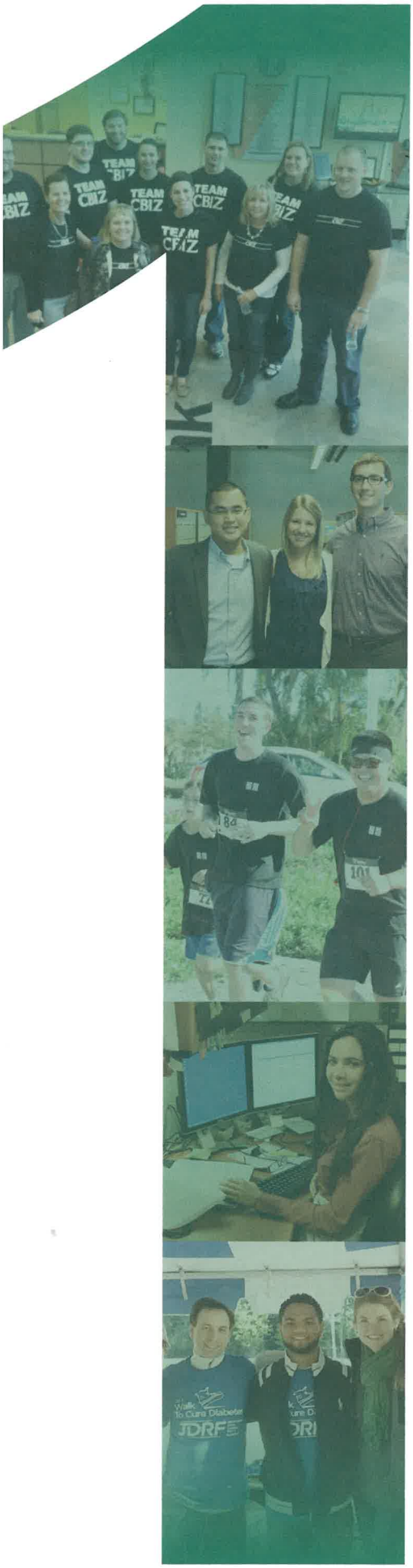
Brokers specializing in employee benefits, ranked by percentage of business*

Company	City/state	2014 employee benefits revenue	% increase (decrease)	% Total
Benefit Controls Cos.	Charlotte, North Carolina	$19,600,000	5.9%	100%
FBMC Benefits Management Inc.	Tallahassee, Florida	$19,237,442	5.9%	100%
NationalHR	Marlton, New Jersey	$1,675,000	15.5%	100%
Corporate Synergies Group L.L.C.	Mount Laurel, New Jersey	$38,980,000	4.9%	97.5%
Digital Insurance Inc.	Atlanta	$91,904,982	37.4%	97.2%
LHD Benefit Advisors L.L.C.	Indianapolis, Indiana	$6,437,449	28.3%	97.1%
Cowan Benefits Inc.	Brentwood, Tennessee	$12,519,392	5.8%	92.9%
Associated Financial Group L.L.C.	Minnetonka, Minnesota	$49,257,728	31.5%	64.8%
The Plexus Groupe L.L.C.	Deer Park, Illinois	$12,283,834	2.9%	64.7%
CBIZ Benefits & Insurance Services Inc.	Kansas City, Missouri	$130,600,000	5.3%	57.7%
M3 Insurance Solutions Inc.	Madison, Wisconsin	$26,053,008	8.0%	56.1%
Oswald Cos.	Cleveland	$36,400,000	6.6%	55.1%
The Insurance Exchange Inc.	Rockville, Maryland	$4,535,294	2.9%	53.4%

LARGEST BENEFITS SPECIALIST BY REVENUE

Published September 28, 2015 in Broker Supplement.* Companies with 51% or more of brokerage revenue from employee benefits

Source: *BI* survey



Forbes | 2015
AMERICA'S BEST EMPLOYERS
POWERED BY STATISTA

CBIZ Ranked #1 in Consulting & Accounting

Forbes magazine recently named CBIZ as one of America's Best Employers and ranked CBIZ as the #1 employer in the consulting and accounting industry.

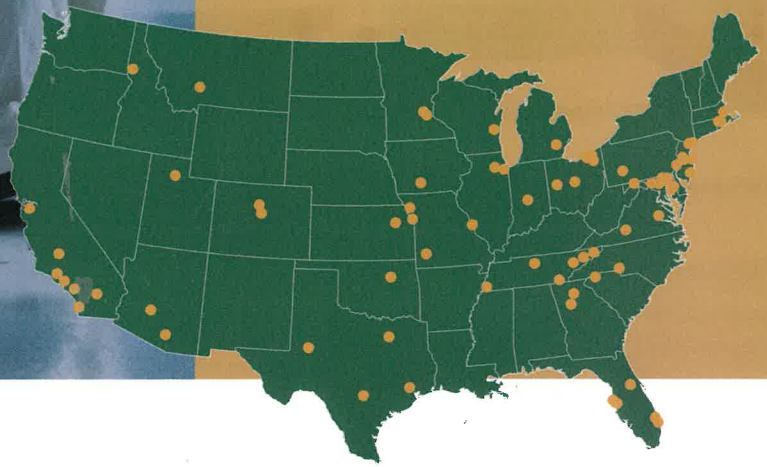
CBIZ was selected based on a survey of over 20,000 anonymous respondents from across the country. The independent study conducted by Forbes asked individuals how likely they are to recommend their employer. The data was compiled into a list of the top 500 employers across 25 different industries, where CBIZ ranked #1 in the consulting and accounting industry category.

RANK	COMPANY
1	**CBIZ**
2	Mercer
3	Accenture
4	PricewaterhouseCoopers
5	Ernst & Young
6	Battelle Memorial Institute
7	Crossmark
8	Westat
9	Deloitte
10	McKinsey & Company
11	Booz Allen Hamilton
12	Mitre Corp
13	H&R Block
14	KPMG
15	Huron Consulting Group

National Resources; Local Service

With offices in major metropolitan areas and suburban cities across the nation, CBIZ helps businesses grow and succeed by helping them better manage their finances, their risk and their employees.

100+ offices | 4,000+ professionals | 90,000+ clients



#1 Largest U.S. Benefits Specialist

10th Largest Accounting Provider Nationally*

A Top 20 Largest Broker of U.S. Business

A Top 100 Retirement Plan Adviser

Financial & Accounting

- Accounting & Tax
- Government Health Care Consulting
- Financial Advisory
- Valuation
- Litigation Support
- Risk & Advisory Services
- Real Estate Advisory Services

Benefits & Insurance

- Employee Benefits
- Payroll/HRIS
- Property & Casualty
- Retirement Plan Services
- Human Capital Services

CBIZ®

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CBIZ CBZ CBIZServices CBIZSolutions

Investments and advisory services offered through CBIZ Financial Solutions, Inc., member FINRA, SIPC and SEC Registered Investment Adviser, dba CBIZ Retirement Plan Advisory Services. CBIZ Financial Solutions, Inc. is a subsidiary of CBIZ, Inc.

**All audit and assurance services are provided by Mayer Hoffman McCann P.C., an independent CPA Firm*

Insurance and Federal Work Authorization Program

Client#: 2372 CBIZINC

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/31/2016

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).

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

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	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N / A					E.L. EACH ACCIDENT	$
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Prof Liab - E&O			42EPP30261101	06/01/2016	06/01/2017	$20,000,000 Aggregate	
A	IA-Broker Dealer			42EPP30261101	06/01/2016	06/01/2017	$7,500,000 Sublimit	
A	Invest Banking			42EPP30261101	06/01/2016	06/01/2017	$1,000,000 Sublimit	

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

CERTIFICATE HOLDER

For Informational Purposes Only

CANCELLATION

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

CBIZ Insurance Services, Inc.

Client#: 2372 CBIZINC

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 6/01/2016

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.

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PRODUCER	CONTACT NAME:	
CBIZ Insurance Services, Inc. 700 West 47th Street, Suite 1100 Kansas City, MO 64112 816 945-5500	PHONE (A/C, No, Ext): -	FAX (A/C, No):
	E-MAIL ADDRESS: dlcbizrisk&consulting@cbiz.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Illinois Union Insurance Co.	27960
INSURED CBIZ, Inc. and Subsidiaries 6050 Oak Tree Blvd., South, Suite 500 Cleveland, OH 44131	INSURER B : Ironshore Specialty Insurance C	25445
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

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	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N / A					E.L. EACH ACCIDENT	$
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Technology/Cyber			G21672129011	06/01/2016	06/01/2017	$10,000,000 Each Claim	
	Privacy Liability						$10,000,000 Aggregate	
B	Excess Cyber			002298301	06/01/2016	06/01/2017	$5,000,000/$5,000,000	

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

CERTIFICATE HOLDER

For Informational Purposes Only

CANCELLATION

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

CBIZ Insurance Services, Inc.

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

AFFIDAVIT OF WORK AUTHORIZATION
(as required by Section 285.530, Revised Statutes of Missouri)

As used in this Affidavit, the following terms shall have the following meanings:

EMPLOYEE: Any person performing work or service of any kind or character for hire within the State of Missouri.

FEDERAL WORK AUTHORIZATION PROGRAM: Any of the electronic verification work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

KNOWINGLY: A person acts knowingly or with knowledge, a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

UNAUTHORIZED ALIEN: An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared Nancy M. Mellard, who, being duly sworn states on her oath or affirmation as follows:

1) My name is Nancy M. Mellard and I am currently the Executive Vice President of CBIZ Benefits & Insurance Services, Inc.

(hereinafter "Contractor"), whose business address is 700 W. 47th Street, Suite 1100, Kansas City, Missouri 64112, and I am authorized to make this Affidavit.

2) I am of sound mind and capable of making this Affidavit, and am personally acquainted with the facts stated herein.

3) Contractor is enrolled in and participates in a federal work authorization program with respect to employees working in connection with the services contracted between Contractor and Rockwood School District.

4) Contractor does not knowingly employ any person who is an unauthorized alien in connection with the contracted services set forth above.

5) Attached hereto is documentation affirming Contractor's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Nancy M. Mellard
Signature

Nancy M. Mellard
Printed Name

Subscribed and sworn before me this 18th day of August, 2016.

Carolyn S. Wehner
Notary Public
State of Missouri
My Commission Expires 6/9/2019

CAROLYN S. WEHNER
Notary Public, Notary Seal
State of Missouri
Jackson County
Commission # 15540802
My Commission Expires June 09, 2019

Case Studies

KANSAS CITY AREA
TRANSPORTATION AUTHORITY

CASE STUDY

Using Technology to Increase Engagement

SITUATION

600 EMPLOYEES ON THE HEALTH PLAN **45** YRS IN THE TRANSPORTATION INDUSTRY

Through their partnership with CBIZ and strong leadership commitment, the Kansas City Area Transportation Authority (KCATA) has long supported employee wellbeing. Despite having robust wellbeing resources, their unique industry posed communication challenges that limited their ability to obtain optimal engagement. The KCATA recognized the need to expand their program and go beyond what their current infrastructure provided. With the help of CBIZ, they devised a successful communication strategy that incorporated technology and key wellness partners to expand the reach of the current wellbeing program.

STRATEGIES

1. **1:1 ENROLLMENT COUNSELING**
   Individual consultation with Explain My Benefits supported employees in making informed health care and benefit decisions.

2. **WELLNESS PORTAL IMPLEMENTATION**
   HumanaVitality Wellness Portal offers opportunities to earn rewards for making positive lifestyle choices both at home and at work. Portal integration with activity devices connects employees across the organization.

3. **ACTIVITY DEVICE INCENTIVE**
   By engaging in enrollment counseling and utilizing the wellness portal, employees were given a free Garmin VivoFit 2. This incentive not only piqued employees interest, but provided opportunities for continuous engagement in the overall wellbeing program.

RESULTS

- HIGHEST PARTICIPATION OF ANY WELLBEING INITIATIVE TO DATE
- RECOGNIZED AS HEALTHIEST EMPLOYER BY THE KANSAS CITY BUSINESS JOURNAL
- INCREASED MORALE AND APPRECIATION FOR LEADERSHIP'S COMMITMENT TO EMPLOYEE WELLBEING
- EXPANDED SOCIAL CONNECTEDNESS WITH PEERS THROUGH USE OF THE WELLNESS PORTAL AND ACTIVITY DEVICE

"SUCCESS IS MEASURED IN A LOT OF WAYS, BUT WHEN I CONSISTENTLY HEAR EMPLOYEES ASK EACH OTHER 'HOW MANY STEPS HAVE YOU TAKEN TODAY?' I KNOW WE ARE MAKING AN IMPACT." - JIM FIGHT, CHIEF HR OFFICER

EMILY NOLL | NATIONAL DIRECTOR OF CBIZ WELLBEING SOLUTIONS
CBIZ BENEFITS AND INSURANCE SERVICES, INC. | 443.259.3287 | ENOLL@CBIZ.COM