



May 2018

A renewal presentation for City Of Coppell

Presented to Holmes Murphy
by Chris Caplinger



A UnitedHealthcare Company

Renewal Services

Customer Name : City Of Coppell
Plan Renewal Date : 10/1/2018

All fees shown as per employee per month (PEPM) unless otherwise noted

Proposed renewal fees assume all existing products and services written with UMR will be retained throughout the renewal period. New products and services may be added however proposed fees are subject to change and/or and/or additional fees may apply if any existing products or services are discontinued.

Administration and access fees	Subscribers	Current Fees	Renewal Fees 10/1/2018
Medical claims	356	\$20.00	\$20.40
Medical client advisor commission		Net	Net
Required stop loss interface fee	356	Included	Included
Stop loss interface - If a non-preferred vendor is selected, this surcharge fee will also apply	356	\$2.50	\$2.50
UnitedHealthcare Choice Plus ® network - access fee	356	\$16.87	\$16.87
COBRA administration	356	\$1.05	\$1.05
Utilization and case management (includes NurseLine) - per employee per month savings of \$1.15	356	\$3.37	\$3.43
Truven Health Analytics reporting – three licenses included	356	Included	Included
External Pharmacy Benefit Manager (PBM) Interface	356	Included	Included
Incentive Solutions: Rewards - Health Incentive Account (HIA) Deposits	356	Included	Included
Health reimbursement account - per participating employee per month	356	Included	Included
Retiree billing - ACH debit	7	\$4.25	\$4.25
Medical Insured Carve Out Coordination Fee	356	Included	Included
Cost reduction and savings program - large bill review/fee negotiation and secondary/travel network - % of savings	356	30%	30%

Pharmacy credit: In order to qualify for incentivized rebates, plan designs must be two-tier closed, or three-tier with a minimum of \$10.00 difference in copayment or 10% difference in coinsurance between preferred and non-preferred branded drugs.

Non-preferred vendor surcharge: The increase of the non-preferred stop loss vendor surcharge to \$5.00 PEPM is not applicable should stop loss remain with the incumbent vendor. If the stop loss moves to a different non-preferred vendor, then the fee increase would be applicable. If stop loss moves to a UMR preferred stop loss vendor the non-preferred vendor surcharge fee no longer applies.

UnitedHealthcare Choice Plus assumes that the benefit plans will meet the steerage requirements of the networks proposed or will be changed to meet the requirements, including but not limited to: deductible, out-of-pocket, coinsurance and plan limitations. Usage of the Choice Plus network requires employer participation in Value Based Contracting payment methodologies.

External PBM Vendors are subject to prior approval and may require additional fees. For groups with less than 100 subscribers, OptumRx is required.

Additional Services

Customer Name : City Of Coppell
Plan Effective Date : 10/1/2018

All renewal fees are good for one year and are shown as per employee per month (PEPM) unless otherwise noted

Plan Administration	Current Fees	Renewal Fees 10/1/2018
Actuarial Services (Certified Reserving & Custom Pricing)	Pricing available upon request	Pricing available upon request
ID card New Template	\$150.00 per hour	\$150.00 per hour
Mail special packets to employees homes	Billed at cost for postage only	Billed at cost for postage only
ID card mailing charge - employee residence	Included with medical administration	Included with medical administration
Electronic eligiblity in other than HIPAA ANSI 834, UMR std, Hewitt Conn	Fee waived	Fee waived
New York surcharge filing and administration - annual fee	Included with medical administration	Included with medical administration
Claim reprocessing - per claim	\$25.00	\$25.00
Unbundled incentives	HRA incentives included	HRA incentives included
Run-out claims after termination	3 months of base medical admin plus network access fees for 12 months of run-out	3 months of base medical admin plus network access fees for 12 months of run-out
Subrogation - percent of recoveries	33%	33%
Service fee to remit to outside vendors	Fee waived (Envision RX)	Fee waived (Envision RX)
Federal external review for appeals - for non-grandfathered plans for adverse benefit determinations that involve medical judgment or a rescission of coverage.	Up to 5 included, then \$500.00 per review	Up to 5 included, then \$500.00 per review
Full/Partial Summary of Benefits and Coverage (SBC) creation with data UMR has on file (includes initial SBC plus one amendment, electronic version only provided to employer)	Included with medical administration	Included with medical administration
Translation of SBC into non-English text	Cost of translation	Cost of translation
Print and ship SBCs to employer at open enrollment (approval required)	Cost plus postage	Cost plus postage
Inclusion of outside vendor data in SBC in UMR standard format, e.g. carved out benefits (approval required)	\$1,000 per SBC per benefit plan	\$1,000 per SBC per benefit plan
Two or more SBC requests per year	\$500.00 per SBC per benefit plan	\$500.00 per SBC per benefit plan
COBRA		
COBRA outside vendor - per line	\$0.05	\$0.05
Reporting		
Ad hoc reports and analysis - per hour (2 hours included with medical administration)	\$100.00	\$100.00
Banking		
Customer-maintained banking - positive pay agreement annual fee - supported file	\$700	\$700

Conditions

Customer Name : City Of Coppell
Plan Effective Date : 10/1/2018

This renewal proposal is valid until 30 days before the effective date and does not bind coverage or obligate UMR.

The information contained in this response to the request for proposal is considered confidential and proprietary. We are providing this information with the understanding that it will not be used for any purpose other than to evaluate our capabilities to provide the services requested. In addition, this information will not be disclosed to person(s) or entity(s) other than those who are involved in the process of evaluating our response. Written permission must be obtained from UMR prior to any exceptions of these obligations in order to maintain the confidentiality of our responses.

All quoted product fees assume UMR administers the medical plan.

UMR assumes all services provided will be handled according to our standard format and procedures, unless otherwise specifically addressed within this proposal. Specialized services will be priced as necessary.

Fees proposed are based on the plan of benefits as submitted but does not assume duplication of benefits or provisions. Fees proposed assume a standard PPO plan design with no referral administration and no primary care physician tracking. Proposal assumes that the benefit plans will meet the steerage requirements of the networks proposed or will be changed to meet the requirements, including but not limited to; deductible, out of pocket, coinsurance and plan limitations. Plan design changes may impact a Grandfathered Health Plan status. Usage of the Choice Plus network requires employer participation in Value Based Contracting payment methodologies. Access to the UnitedHealthcare Choice Plus and Options PPO network does not include telemedicine services (i.e. 'Virtual Visits'). Please refer to the financial commentary tab for information on Teladoc services and associated fees. Please review any changes with your advisor.

The Plan or its sponsor is responsible for state or federal surcharges, assessments, or similar taxes or fees imposed by governmental entities or agencies on the Plan, Plan Sponsor, or us, including but not limited to those imposed pursuant to the Patient Protection and Affordable Care Act of 2010 (PPACA), as amended from time to time. This includes responsibility for determining the amount due, funding, and remitting the PPACA PCORI reinsurance fee which is remitted to the government (federal and/or state).

The fees quoted do not include state or federal surcharges, assessments, or similar taxes/fees imposed by governmental entities or agencies on the Plan, Plan Sponsor, or UnitedHealthcare. We reserve the right to adjust the rates (i) in the event of any changes in federal, state or other applicable legislation or regulation; (ii) in the event of any changes in plan design or procedures required by the applicable regulatory authority or by the sponsor; (iii) any taxes, surcharges, assessments or similar changes being imposed by a governmental entity on the Plan or UnitedHealthcare; or, (iv) as otherwise permitted in our Administrative Service Agreement.

UMR reserves the right to adjust fees in the event of (i) any changes in federal, state or other applicable law or rules; (ii) changes in plan design required by the applicable regulatory authority (e.g. mandated benefits) or by the customer; or (iii) any taxes, surcharges, assessments or similar charges being imposed by a governmental entity on the plan or UMR.

To comply with the Department of Labor's (DOL) claims regulations, we encourage pre-notification of at least 60 calendar days prior to the effective date of this contract. In the event that a 60-day notice is not feasible, UMR does not guarantee, but will make every reasonable effort, to have new plan(s) programmed quickly so claims can be processed within the required DOL timelines.

Fees proposed assume one billing, reporting, eligibility feed, stop loss and banking arrangement.

Do not cancel in-force plan(s) and/or policy(ies) until final approval is received.

UMR is not bound by any typographical errors and/or omissions contained herein.

Fees proposed assume utilization and case management services are provided through UMR in order to access UnitedHealthcare Networks.

Fees proposed are subject to change if a division, subsidiary or affiliated company is added or deleted from the plan, or if the number of covered employees changes by 15% or more from this proposal.

Claim reprocessing due to situations, such as retroactive benefit or eligibility changes, may require additional fees.

Conditions

UMR will share raw claims and eligibility data, however, we reserve the right to exclude data elements deemed proprietary by our organization.

The UMR renewal proposal requires the Cost Reduction and Savings Program. Additional fees will apply, should this program be carved out.

UMR provides an ERISA DOL appeals process. UMR does not participate in Grievance Review Panel Hearings.

UMR requires that all qualified high-deductible plan designs meet federal regulatory requirements. Our coordination of benefits (COB) process will meet the requirements for Preservation COB processing.

Administration of plans requiring integrated deductible and out of pocket to comply with the Essential Health Benefits provision of Health Care Reform, qualified high deductible health plan or the like, assumes the use of service providers (pharmacy benefits manager (PBM), dental, vision, etc.) that are currently integrated with UMR. Utilizing these service providers may require additional fees. Please refer to your representative to identify integrated service providers.

FSA fees: HCA assumes a minimum of 20% of medical employees participating; DCA assumes a minimum of 20% of the HCA population participating.

Care management bundled discount - fees assume all care management products listed on care management bundled discount line are selected. Discount will change if services selected change.

UMR does not administer statutory disability benefits.

Health reimbursement account assumes 20% participation rate.

HSA trustees bill directly for HSA services.

UMR cannot support the drug data requirements for Medicare Part D subsidy submission of plans where the pharmacy claims are paid under the medical plan. We recommend these pharmacy benefits be provided by a pharmacy benefits manager.

Wellness Credit

Customer Name : City Of Coppell
Plan Effective Date : 10/1/2018

UMR has provided a \$5,000 wellness credit, to be used during the contract period from 10/1/2018 to 9/30/2019 for implementing wellness initiatives. This credit can be used toward UMR Health & Wellness programs and related resources used to improve the health and well-being of your plan members.

Conditions:

- Requires a one year agreement. Early termination is subject to the early termination penalty outlined below.
- Any unused credit dollars at the end of the specified term are forfeited by the group.
- Reimbursement or payment will not be made directly to any person or vendor.
- Approved wellness credit expenses are credited to the ASO fees on the monthly bill.
- Assumes an enrolled subscriber count within 15% of the quoted subscriber count of 356.
- REQUIRES SALE OF REAL APPEAL

Early termination penalty*:

Termination prior to 10/1/2019 = \$5,000

* - penalty amount will not exceed actual amount credited as of the cancellation date.

Wellness Program Guidelines

UMR recommends the following building blocks for establishing a successful wellness program that is specific to your organization's unique needs and overall goals:

- Visible senior-level support for wellness programming
- Programming tied directly to improving health or wellness within your member population
- Wellness initiatives supported by a communication program
- Environment supportive of healthy behaviors
- Collaboration with the strategic account executive (SAE) to incorporate initiative into a three-year strategic plan to maximize the effectiveness of the program

Wellness Credit

Eligible Services Covered by the Wellness Credit

Eligible expenses covered by the wellness credit include:

1. UMR Health & Wellness services to include:
 - a. Clinical health risk assessments (CHRAs)
 - b. Biometric screenings – cholesterol, blood pressure, glucose, etc
 - c. Health coaching
2. Incentives provided to encourage participation in wellness programs
 - a. Reward cards (suggested amounts as follows)
 - i. \$50 for CHRA and biometric completion
 - ii. \$100 for coaching completion
 - b. Company-wide drawing
 - c. Fitness equipment at your desk such as:
 - i. Peddlers
 - ii. Stretch bands
 - iii. Balance ball chairs
 - iv. Walking workstations
3. Fitness packages such as:
 - a. Pedometers
 - b. Exercise logs
 - c. Weight loss, nutrition or exercise guidelines
4. Fitness center equipment
5. Wellness resource library – DVDs and CDs
6. Wellness program communication plan
7. Environmental audit
8. Fitness testing program
9. Onsite health and wellness or behavioral change classes such as:
 - a. Weight Watchers
 - b. Stress management
10. Fund company-wide fitness or wellness competitions such as:
 - a. Biggest Loser
 - b. "Get Fit"
11. Flu shots

UMR account management will consult with the customer to develop a plan to use wellness credits. Expenses not listed above are subject to prior approval by UMR.