



July 2016

A renewal presentation for City of Coppell

Presented to Holmes Murphy
by Christine Caplinger



A UnitedHealthcare Company

Renewal Services

Customer Name : City of Coppell
Plan Renewal Date : 10/1/2016

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 10/1/2016
Medical claims	352	\$19.61	\$19.61
Medical client advisor commission		Net	Net
Required stop loss interface fee	352	Included	Included
Stop loss interface - If a non-preferred vendor is selected, this surcharge fee will also apply	352	\$2.50	\$2.50
UnitedHealthcare Options PPO ® network - access fee	352	\$11.87	-
UnitedHealthcare Choice Plus ® network- access fee	352	-	\$16.87
COBRA administration	352	\$1.05	\$1.05
Utilization and case management (includes NurseLine) - per employee per month savings of \$0.58	352	\$3.30	\$3.30
Truven Health Analytics reporting – three licenses included	352	Included	Included
Health reimbursement account - per participating employee per month	352	Included	Included
Medical Insured Carve Out Coordination Fee	352	Included	Included
Retiree billing - ACH debit	7	\$4.25	\$4.25
Cost reduction and savings program - large bill review/fee negotiation and secondary/travel network - % of savings	352	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 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.

External PBM Vendors are subject to prior approval and may require additional fees.

Additional Services

Customer Name : City of Coppel
Plan Effective Date : 10/1/2016

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 10/1/2016
SPD printing	Cost plus postage	Cost plus postage
Eligibility layout in other than HIPAA 834, Hewitt and the TPAs standard layout	Fee waived	Fee waived
Actuarially certified reserve estimate - per report and per additional breakdown	Pricing available upon request	Pricing available upon request
Bridge Health Medical Travel	Waived	Waived
Run-off claims after termination	3 months of base medical administration fees plus the network access for 12 months of run out protection. Due prior to termination	3 months of base medical administration fees plus the network access for 12 months of run out protection. Due prior to termination
Unbundled incentives	HRA Incentives included in medical administration	HRA Incentives included in medical administration
Outside vendor payments	Fee waived - payment to EnvisionRx	Fee waived - payment to EnvisionRx
Customized ID cards	\$150.00 per hour	\$150.00 per hour
ID card mailing charge - employee residence	Included with medical administration	Included with medical administration
New York surcharge filing and administration - annual fee	Included with medical administration	Included with medical administration
Claim reprocessing - per claim	\$25.00	\$25.00
Subrogation - percent of recoveries	33%	33%
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 (2 outside vendors) - \$.10)	\$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 Coppel
Plan Effective Date : 10/1/2016

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. 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.

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.

Proposed Optional Services

Customer Name : City of Coppell

Plan Effective Date : 10/1/2016

Subscribers : 352

UMR is pleased to provide the following proposal describing our services. Although the final terms of the arrangement will be reflected in the contracts between City of Coppell and UMR, this document will provide supplemental information to the Administrative Services.

The quotation presented in the Financial Exhibits was based on the assumptions outlined in this document. *The information contained in this proposal is confidential.* This proposal requires a minimum lead time from notice of sale to the plan effective date for implementation. This will depend upon plan complexity and group size.

The following is a list of the standard administrative services offered by UMR with year-one fees only listed. In addition to our standard services, we have indicated those additional services that may be offered at an additional fee. Any service not specifically listed within this document or confirmed in the RFP response is assumed to be excluded from quoted fees.

Network Services		
Service	Included in Fee Provided	Comments/Fees
Premium Designation Network	Yes	No additional charge, but requires Plan Advisor

Proposed Optional Services

Qualified High-Deductible Health Plan (QHDHP)

Service	Included in Fee Provided	Comments/Fees
Standard administration services:	No	Additional charge: \$1.00 per participating employee per month (PEPM) expenses to coordinate with the pharmacy benefit manager.
<ul style="list-style-type: none"> QHDHP plan design(s) meet the IRS requirements Coordinate implementation with multiple preferred financial institution partners for health savings account trustee services No requirements to use one of the preferred financial institution partners Employer's ability to set-up and administer various contribution schedules and strategies based on specific needs Assist with setting up payroll connectivity to preferred processors Streamlined administration and setup Access to internet-based consumer tools Strategic planning support and plan modeling Product-specific reporting package Access to Web-based consumer tools Links to preferred financial institutions' account management tools Extensive consumer education options and materials for effective member communication campaigns Basic consumer-decision support tools including Health Plan Cost Estimator (HPCE), Health Education Library, Cost Transparency and more 		Additional annual software fee of \$6,500 for Health Plan Cost Estimator - Advanced. Includes loading of up to four medical or Rx plans and two hours of implementation meetings. Additional plans charge: \$3,500 per each block of four plans. Custom enhancements billed at \$150 per hour.

Vision Administration Services

Service	Included in Fee Provided	Comments/Fees
Vision claims administration - indemnity vision benefit included with the medical plan document	No	Additional charge: \$1.00 PEPM
Vision claims administration - indemnity vision benefit independent of the medical plan document	No	Additional charge: \$1.75 PEPM
Spectera Vision - self-funded	No	Additional charge: \$1.50 PEPM

Proposed Optional Services

Other Additional Services

Service	Included in Fee Provided	Comments/Fees
Telemedicine (Teladoc) services: • Access to Teladoc physician network • Telephonic and web-based video medical consultations delivered at one low flat fee (substantially less than an office visit) • Teladoc ID card • Portable electronic health record • Communications materials (pdf format)	No	Additional charge: \$1.50 PEPM
Plan advisor member and/or provider advocacy services (minimum enrollment requirement of 2,500 members for Plan Advisor Models 2 – 4): • Dedicated single point of member contact for the UMR lines of • Customer specific toll-free telephone number • Coordinated member engagement that provides increased benefit design adherence, aggressive network steerage and referral to care management services • Outbound network steerage calls related to precertification requests • Seasonal health topic and preventive care messaging • Multiple vendor call coordination	No	Plan Advisor Model 1: \$2.20 PEPM