



# CLIENT SERVICE AGREEMENT

## Introduction

This Client Service Agreement ("Agreement") is made and entered into on August 23, 2022 ("Effective Date") by and between USI Southwest, Inc. ("USI") and Brazos County ("Client").

WHEREAS, USI is duly licensed to engage in the insurance business for the purposes set forth herein and;

WHEREAS, Client desires to engage the services of USI upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

### 1. LINES OF INSURANCE COVERAGE AND OTHER BENEFITS

This Agreement is entered into with respect to the lines of insurance coverage and other mutually agreed-upon programs for which Client agrees to retain USI as its Broker of Record.

### 2. SERVICES

USI agrees to provide to Client the services outlined in Exhibit A.

The above-referenced services shall be rendered by USI to Client pursuant to the terms of this Agreement. Any additional services requested by Client shall be negotiated by the parties under separate written agreement.

The services to be provided by USI are provided for the exclusive benefit of Client. The services, recommendations, proposals, and information provided by USI are not to be distributed to, used by, or relied upon by other parties. Furthermore, if the services to be provided by USI hereunder shall be deemed by Client to apply to any insurance policy/product in effect prior to the Effective Date, then USI's services shall not be assumed by Client to remedy or resolve any deficiencies in such policy/product. USI will neither assume nor accept liability for any deficiencies, errors, or oversights inherent in such policy/product until such time as USI has had adequate opportunity to review such policy/policies and to provide recommendations to Client concerning same.

### 3. COMPENSATION

#### Fee Only Agreement

USI will be compensated for the services through payment of a fee by as outlined in Exhibit B of this agreement. There are no overrides/bonus programs included or paid to USI for Brazos County.



#### **4. BUSINESS ASSOCIATE AGREEMENT**

USI has been retained by the Client's group health plan ("Covered Entity") to perform certain services on behalf of the Covered Entity in its capacity as a consultant with respect to activities of the Covered Entity as a "group health plan" as defined in 45 C.F.R. § 160.103. In connection with the provision of such services by USI, USI will use and disclose certain Protected Health Information (as defined below) concerning the Covered Entity and its activities.

USI and the Covered Entity desire to enter into a business associate agreement for the purpose of addressing the Privacy Rule, the Security Rule, and the Electronic Transaction Rule, (as those terms are defined below), and for addressing the privacy and security provisions set forth in the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act") contained in Title XIII, Subtitle D, of the American Recovery and Reinvestment Act of 2009. In consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, USI and the Covered Entity agree as follows:

##### **4.1. BUSINESS ASSOCIATE DEFINITIONS**

4.1.1 "Agreement" shall mean this document, including all properly executed amendments.

4.1.2 "Breach" shall have the same meaning as the term "breach" in 45 C.F.R. § 164.402.

4.1.3 "Electronic Health Record" shall have the same meaning as the term "electronic protected health information" in § 13400(5) of the American Recovery and Reinvestment Act of 2009.

4.1.4 "Electronic Protected Health Information" shall have the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103.

4.1.5 "Electronic Transaction Rule" shall mean the final regulations issued by the U.S. Department of Health and Human Services concerning standard transactions and code sets under 45 C.F.R. Parts 160 and 162.

4.1.6 "Individual" shall mean the person who is the subject of the Protected Health Information or a person who qualifies as the personal representative of the individual in accordance with 45 C.F.R. § 164.502(g).

4.1.7 "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

4.1.8 "Protected Health Information" shall mean any information, including genetic information, that:  
(i) relates to the past, present, or future physical or mental health or condition of an Individual;  
(ii) the provision of health care to an Individual; (c) or the past, present, or future payment for the provision of health care to an Individual; and that identifies the Individual or with respect to which there is a reasonable basis to believe the information can be used to identify the Individual.



- 4.1.9 "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 160.103.
- 4.1.10 "Secretary" shall mean the Secretary of the Department of Health and Human Services ("HHS") and any other officer or employee of HHS to whom authority has been delegated.
- 4.1.11 "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 160.103.
- 4.1.12 "Security Rule" shall mean the Security Standards and Implementation Specifications at 45 C.F.R. Parts 160 and 164, Subparts A and C.
- 4.1.13 "Transaction" shall have the same meaning as the term "transaction" in 45 C.F.R. § 160.103.
- 4.1.14 "Unsecured Protected Health Information" shall have the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402.

#### **4.2. SAFEGUARDING PRIVACY AND SECURITY OF PROTECTED HEALTH INFORMATION**

4.2.1 Permitted Uses and Disclosures. USI hereby agrees that it shall be prohibited from using or disclosing Protected Health Information for any purpose other than as expressly permitted or required by this Agreement.

4.2.1(a) **Functions and Activities on Covered Entity's Behalf.** Except as otherwise set forth in this Agreement, the parties hereby agree that USI shall be permitted to use and/or disclose Protected Health Information of the Covered Entity only for the purpose of conducting the transactions contemplated under this Agreement and only for purposes within the scope of USI's representation of the Covered Entity.

4.2.1(b) **Business Operations.** USI is permitted to use and/or disclose Protected Health Information, if necessary, for the proper management and administration of USI's representation of the Covered Entity, or to carry out any legal responsibilities of USI provided that, with respect to any disclosure of Protected Health Information, either:

4.2.1(b)(1) the disclosure is Required by Law; or

4.2.1(b)(2) USI obtains reasonable assurances from the person to whom the Protected Health Information is disclosed that: (i) the Protected Health Information will be held in confidence and used or further disclosed only for the purposes for which USI disclosed the Protected Health Information to the person or as Required by Law; (ii) the person will use appropriate safeguards to prevent use or disclosure of the Protected Health Information; and (iii) the person immediately notifies USI of any instance of which it is aware in which the confidentiality of the Protected Health Information has been breached.



**4.2.1(c) Data Aggregation Services.** USI is permitted to use or disclose Protected Health Information to provide data aggregation services, as that term is defined by 45 C.F.R. § 164.501, relating to health care operations of the Covered Entity.

**4.2.1(d) Minimum Necessary.** USI will, in its performance of the functions, activities, services, and operations specified above, make reasonable efforts to use, to disclose, and to request only the minimum amount of Covered Entity's Protected Health Information reasonably necessary to accomplish the intended purpose of the use, disclosure or request, except that USI will not be obligated to comply with this minimum-necessary limitation if neither USI nor Covered Entity is required to limit its use, disclosure or request to the minimum necessary. USI and Covered Entity acknowledge that the phrase "minimum necessary" shall be interpreted in accordance with the HITECH Act and HHS guidance.

#### **4.2.2 Information Safeguards.**

**4.2.2(a) Privacy of Covered Entity's Protected Health Information.** USI will develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards to protect the privacy of Covered Entity's Protected Health Information. The safeguards must reasonably protect Covered Entity's Protected Health Information from any intentional or unintentional use or disclosure in violation of the Privacy Rule and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this Agreement.

**4.2.2(b) Security of Covered Entity's Electronic Protected Health Information.** USI will develop, implement, maintain, and use administrative, technical, and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information that USI creates, receives, maintains, or transmits on Covered Entity's behalf as required by the Security Rule.

**4.2.3 Subcontractors and Agents.** USI will require any of its subcontractors and agents to which USI is permitted by this Agreement, or in writing by Covered Entity, to disclose Covered Entity's Protected Health Information and/or Electronic Protected Health Information, to provide satisfactory assurances through a written agreement that meets the applicable requirements of 45 C.F.R. § 164.504(e) that such subcontractor or agent will comply with the same privacy and security safeguard obligations with respect to Covered Entity's Protected Health Information and/or Electronic Protected Health Information that are applicable to USI under this Agreement.

**4.2.4 Prohibition on Sale of Records.** USI shall not directly or indirectly receive remuneration in exchange for any Protected Health Information of an Individual unless the Covered Entity or USI obtains from the Individual, in accordance with 45 C.F.R. § 164.508, a valid authorization that includes a specification of whether the Protected Health Information can be further exchanged



for remuneration by the entity receiving Protected Health Information of that Individual, except as otherwise allowed under the HITECH Act.

4.2.5 **Penalties for Noncompliance.** USI acknowledges that it is subject to civil and criminal enforcement for failure to comply with the Privacy Rule and Security Rule, as amended by the HITECH Act.

#### 4.3. COMPLIANCE WITH ELECTRONIC TRANSACTION RULE

If USI conducts, in whole or part, electronic Transactions on behalf of Covered Entity for which HHS has established standards, USI will comply and will require any subcontractor or agent it involves with the conduct of such Transactions to comply, with each applicable requirement of the Electronic Transaction Rule. USI shall also comply with the National Provider Identifier requirements, if and to the extent applicable.

#### 4.4. INDIVIDUAL RIGHTS

4.4.1 **Access.** USI will make available to Covered Entity or, at Covered Entity's direction, to an Individual (or the Individual's personal representative) for inspection and obtaining copies Covered Entity's Protected Health Information about the Individual that is in USI's custody or control, so that Covered Entity may meet its access obligations under 45 C.F.R. § 164.524. If the Protected Health Information is held in an Electronic Health Record, then the Individual shall have a right to obtain from USI a copy of such information in an electronic format. USI shall provide such a copy to Covered Entity or, alternatively, to the Individual directly, if such alternative choice is clearly, conspicuously, and specifically made by the Individual or Covered Entity.

4.4.2 **Amendment.** USI will, upon receipt of written notice from Covered Entity, promptly amend or permit Covered Entity access to amend any portion of Covered Entity's Protected Health Information, so that Covered Entity may meet its amendment obligations under 45 C.F.R. § 164.526.

4.4.3 **Disclosure Accounting.** To allow Covered Entity to meet its disclosure accounting obligations under 45 C.F.R. § 164.528:

4.4.3(a) **Disclosures Subject to Accounting.** USI will record the information specified below ("Disclosure Information") for each disclosure of Covered Entity's Protected Health Information, not excepted from disclosure accounting as specified below, that USI makes to Covered Entity or to a third party.

4.4.3(b) **Disclosures Not Subject to Accounting.** USI will not be obligated to record Disclosure Information or otherwise account for disclosures of Covered Entity's Protected Health Information if Covered Entity need not account for such disclosures.

4.4.3(c) **Disclosure Information.** With respect to any disclosure by USI of Covered Entity's Protected Health Information that is not excepted from disclosure accounting, USI will



record the following Disclosure Information as applicable to the type of accountable disclosure made:

**4.4.3(c)(1) Disclosure Information Generally.** Except for repetitive disclosures of Covered Entity's Protected Health Information as specified below, the Disclosure Information that USI must record for each accountable disclosure is (i) the disclosure date, (ii) the name and (if known) address of the entity to which USI made the disclosure, (iii) a brief description of Covered Entity's Protected Health Information disclosed, and (iv) a brief statement of the purpose of the disclosure.

**4.4.3(c)(2) Disclosure Information for Repetitive Disclosures.** For repetitive disclosures of Covered Entity's Protected Health Information that USI makes for a single purpose to the same person or entity (including Covered Entity), the Disclosure Information that USI must record is either the Disclosure Information specified above for each accountable disclosure, or (i) the Disclosure Information specified above for the first of the repetitive accountable disclosures; (ii) the frequency, periodicity, or number of the repetitive accountable disclosures; and (iii) the date of the last of the repetitive accountable disclosures.

**4.4.3(d) Availability of Disclosure Information.** USI will maintain the Disclosure Information for at least 6 years following the date of the accountable disclosure to which the Disclosure Information relates (3 years for disclosures related to an Electronic Health Record, starting with the date specified by HHS). USI will make the Disclosure Information available to Covered Entity within 60 calendar days following Covered Entity's request for such Disclosure Information to comply with an Individual's request for disclosure accounting. With respect to disclosures related to an Electronic Health Record, USI shall provide the accounting directly to an Individual making such a disclosure request, if a direct response is requested by the Individual.

**4.4.4 Restriction Agreements and Confidential Communications.** USI will comply with any agreement that Covered Entity makes that either (i) restricts use or disclosure of Covered Entity's Protected Health Information pursuant to 45 C.F.R. § 164.522(a) or (ii) requires confidential communication about Covered Entity's Protected Health Information pursuant to 45 C.F.R. § 164.522(b), provided that Covered Entity notifies USI in writing of the restriction or confidential communication obligations that USI must follow. Covered Entity will promptly notify USI in writing of the termination of any such restriction agreement or confidential communication requirement and, with respect to termination of any such restriction agreement, instruct USI whether any of Covered Entity's Protected Health Information will remain subject to the terms of the restriction agreement. USI will comply with any restriction request if: (i) except as otherwise Required by Law, the disclosure is to a health plan for purposes of carrying out payment or health care operations (and is not for purposes of carrying out treatment); and (ii) the Protected Health



Information pertains solely to a health care item or service for which the health care provider involved has been paid out-of-pocket in full.

#### **4.5. BREACHES**

**4.5.1 Privacy or Security Breach.** USI will report to Covered Entity any use or disclosure of Covered Entity's Protected Health Information not permitted by this Agreement along with any Breach of Covered Entity's Unsecured Protected Health Information. USI will treat the Breach as being discovered in accordance with 45 CFR §164.410. USI will make the report to the Covered Entity not more than 15 calendar days after USI learns of such non-permitted use or disclosure. If a delay is requested by a law enforcement official in accordance with 45 CFR §164.412, USI may delay notifying Covered Entity for the applicable time period. USI's report will at least:

**4.5.1(a)** Identify the nature of the Breach or other non-permitted use or disclosure, which will include a brief description of what happened, including the date of any Breach and the date of the discovery of any Breach;

**4.5.1(b)** Identify Covered Entity's Protected Health Information that was subject to the non-permitted use or disclosure or Breach (such as whether full name, social security number, date of birth, home address, account number or other information were involved) on an individual basis;

**4.5.1(c)** Identify who made the non-permitted use or disclosure and who received the non-permitted disclosure;

**4.5.1(d)** Identify what corrective or investigational action USI took or will take to prevent further non-permitted uses or disclosures to mitigate harmful effects and to protect against any further Breaches;

**4.5.1(e)** Identify what steps the Individuals who were subject to a Breach should take to protect themselves;

**4.5.1(f)** Provide such other information, including a written report, as Covered Entity may reasonably request.

**4.5.2 Security Incidents.** USI will report to Covered Entity any attempted or successful (i) unauthorized access, use, disclosure, modification, or destruction of Covered Entity's Electronic Protected Health Information or (ii) interference with Business Associate's system operations in Business Associate's information systems, of which USI becomes aware. USI will make this report once per month, except if any such Security Incident resulted in a disclosure not permitted by this Agreement or Breach of Covered Entity's Unsecured Protected Health Information, Business Associate will make the report in accordance with the provisions set forth in Section 4.5.1.

#### **4.6. BUSINESS ASSOCIATE AGREEMENT TERM AND TERMINATION**



- 4.6.1 **Term.** Notwithstanding Section 5.1, this section shall be effective on the Effective Date and shall terminate when all Protected Health Information provided by Covered Entity to USI, or created or received by USI on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this section.
- 4.6.2 **Right to Terminate for Cause.** Covered Entity may terminate this Agreement if it determines, in its sole discretion, that USI has breached any provision of this section, and upon written notice to USI of the Breach, USI fails to cure the Breach within 60 calendar days after receipt of the notice. Any such termination will be effective immediately or at such other date specified in Covered Entity's notice of termination.
- 4.6.3 **Return or Destruction of Covered Entity's Protected Health Information.** Upon termination of this Agreement for any reason, USI, with respect to Protected Health Information received from the Covered Entity, or created, maintained, or received by USI on behalf of Covered Entity, shall:
- 4.6.3.1. retain only that Protected Health Information which is necessary for USI to continue its proper management and administration or to carry out its legal responsibilities;
  - 4.6.3.2. return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining Protected Health Information that USI still maintains in any form;
  - 4.6.3.3. continue to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to Electronic Protected Health Information to prevent use or disclosure of the Protected Health Information, other than as provided for in this section, for as long as USI retains the Protected Health Information;
  - 4.6.3.4. not use or disclose the Protected Health Information retained by USI other than for the purposes for which such Protected Health Information was retained and subject to the same conditions set out at Section 4.2.1(b) which applied prior to termination; and
  - 4.6.3.5. return to Covered Entity or, if agreed to by Covered Entity, destroy the Protected Health Information retained by USI when it is no longer needed by USI for its proper management and administration or to carry out its legal responsibilities.
- Upon Covered Entity's direction, USI will transmit the Protected Health Information to another business associate of the Covered Entity at termination and/or could add terms regarding USI's obligations to obtain or ensure the destruction of Protected Health Information created, received, or maintained by subcontractors.
- 4.6.4 **Continuing Privacy and Security Obligation.** If return or destruction of the Protected Health Information is not feasible, USI agrees to extend the protections of this Agreement for as long as



necessary to protect the Protected Health Information and to limit any further use or disclosure so as to be consistent with the intent of this Agreement.

#### **4.7. GENERAL PROVISIONS**

4.7.1 **Access to Books and Records.** USI hereby agrees to make its internal practices, books, and records relating to the use, disclosure, and safeguards for Protected Health Information received from, or created or received by USI on behalf of the Covered Entity, available to the Secretary or the Secretary's designee for purposes of determining compliance with the Privacy Rule and/or the Security Rule.

4.7.2 **Mitigation Procedures.** USI agrees to have procedures in place for mitigating, to the extent practicable, any deleterious effect from the use or disclosure of Protected Health Information received from, or created or received by, USI on behalf of the Covered Entity, in a manner contrary to this Agreement or the Privacy Rule.

4.7.3 **Amendment to Agreement.** Upon the compliance date of any final regulation or amendment to final regulation promulgated by HHS that affects USI or Covered Entity's obligations under this Agreement, this Agreement will be automatically amended such that the obligations imposed on USI or Covered Entity remain in compliance with the final regulation or amendment to final regulation.

#### **5. TERM AND TERMINATION**

5.1. **Term.** This Agreement shall commence on the Effective Date and shall continue through August 22, 2024 unless extended for one year renewal terms unless terminated in accordance with section 5.2 below. In the event of termination, USI will assist Client in arranging a smooth transition process. However, USI's obligation and the obligation of its affiliates to provide services to Client will cease upon the effective date of termination, unless otherwise agreed in writing.

5.2. **Termination.** Either party shall have the right to terminate this Agreement upon 60 days' prior written notice to the other.

#### **6. ACCURACY OF INFORMATION**

USI's ability to provide Client with the services outlined in Exhibit A above is conditioned upon USI's receipt of accurate and timely information from Client. USI will not independently verify or authenticate information provided by or on behalf of Client. Client shall be solely responsible for the accuracy and completeness of such information and other documentation furnished to USI.

#### **7. ADDITIONAL SERVICES**

Additional services are available for additional compensation and subject to the negotiation of separate agreements or by addendum to this Agreement. Such services may include, but are not limited to:



- General consulting
- Human resources advisory services
- Claims and eligibility audits
- Actuarial services
- Employee communications beyond what described in Exhibit A
- Interactive online client services
- Non-benefits insurance brokerage, risk management, and risk financing advice
- Retirement benefits

**8. BOOKS AND RECORDS**

Client is entitled to copies of reports prepared by USI hereunder, contracts between Client and its carriers and administrators to the extent such contracts are in USI's possession and control, and communications between USI and Client's insurance carriers and employee benefits providers to the extent such books and records are maintained by USI with regard to its performance under this Agreement.

**9. NO FIDUCIARY STATUS**

USI is not named a fiduciary with respect to any plan for which it may provide services. It is not intended by the Client or USI that any services performed by USI under this agreement shall include any fiduciary duties or make USI a fiduciary of any plan maintained by the Client.

**10. DATA SECURITY**

To the extent required by applicable law, USI will implement and maintain reasonable security procedures and practices appropriate to the nature of the personal information it receives, and which are designed to help protect such information from unauthorized access, acquisition, destruction, use, modification, or disclosure.

**11. DATA PRIVACY**

In order to provide the services identified herein, it may be necessary for USI to receive from Client, or from a party on Client's behalf, information of a personal nature that may be protected by various federal and state privacy or other laws. USI advises Client to consult with its legal counsel as to how these laws impact Client and Client's employees, Client's plan, our contemplated engagement, and disclosure of information to USI. Client represents that it has the authority and all rights, authorizations, approvals and consents required to disclose its employees' and their beneficiaries' information to USI for USI's use in performing its services for Client and Client's employees. Client further represents that USI's use of this information to perform services for Client and Client's employees does not and will not violate any privacy notice or other policy issued by Client or any benefit program Client maintains, or any applicable law.



Moreover, because USI is not engaged in the practice of law and the services provided hereunder are not intended as a substitute for legal advice, USI recommends that Client secure the advice of competent legal counsel with respect to any legal matters related to any plan subject to this Agreement.

**12. ENTIRE AGREEMENT**

This Agreement contains the entire understanding of the parties with respect to the subject matter contained herein, superseding all prior agreements, understandings, and negotiations with respect to such matters. This Agreement may be modified or otherwise amended and the observance of any term of this Agreement may be waived only if such modification, amendment, or waiver is in writing and signed by the party to be charged with same. This Agreement shall be binding upon and inure to the benefit of the parties' respective successors. Notwithstanding the foregoing, any Billing and Collection Agreement (see Exhibit B) to which USI and Client are parties, together with any amendment thereto or replacement thereof, shall remain in effect and shall not be superseded.

**13. FORCE MAJURE**

Neither party shall have any liability for any failure or delay in performance of its obligations under this Agreement because of circumstances beyond its reasonable control including, without limitation, acts of God, fires, floods, earthquakes, acts of war or terrorism, civil disturbances, sabotage, accidents, unusually severe weather, governmental actions, power failures, computer/network viruses that are not preventable through generally available retail products, catastrophic hardware failures, or attacks on its server.

**14. SELECTION OF ISSUING INSURANCE COMPANY**

USI has no ownership interest in and is not under common control with the insurance company that is issuing the lines of insurance coverage described in this Agreement. USI does not guarantee the solvency of any insurer with which it places Client's risks.

**15. VALUE ADDED SERVICES**

To the extent that state law prohibits value added services that are unrelated to the insurance products being sold, this Agreement may be modified so that the scope of services and the corresponding compensation therefore is compliant under state law.

**16. CONFIDENTIAL INFORMATION**

"Confidential Information" shall mean non-public information revealed by or through a party to this Agreement (a "Disclosing Party") to the other party (a "Receiving Party") including (a) information expressly or implicitly identified as originating with or belonging to third parties, or marked or disclosed as confidential, (b) information traditionally recognized as proprietary trade secrets, and (c) all forms and types of financial, business (including customer information), scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs or codes,



whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing.

As to any Confidential Information disclosed by the Disclosing Party to the Receiving Party, the Receiving Party will take reasonable precautions in accordance with procedures it follows with respect to its own important confidential information to prevent disclosure, directly or indirectly, of all or any portion of the Confidential Information.

Except as may be required by law or legal process, the Receiving Party agrees not to otherwise use the Confidential Information obtained hereunder in the absence of written permission received from the Disclosing Party. The Receiving Party further agrees to return to Disclosing Party all Confidential Information received hereunder upon written request therefore.

The obligations hereunder remain in full force and effect until and unless: (a) the Receiving Party can show that such Confidential Information was in the Receiving Party's possession prior to the date of the disclosure by Disclosing Party; or (b) such Confidential Information was obtained by the Receiving Party after the date of this Agreement from a party other than Disclosing Party, and the Receiving Party has no knowledge that said party is under an obligation of confidentiality to the Disclosing Party with respect to such information; or (c) such Confidential Information becomes generally available to the trade, or to the public, through sources other than Receiving Party; or (d) such Confidential Information is developed at any time by the Receiving Party independent of information or materials disclosed by Disclosing Party to the Receiving Party.

In the event that the Receiving Party is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information furnished by the Disclosing Party, it is agreed that the Receiving Party will cooperate with the Disclosing Party and provide the Disclosing Party with prompt notice of such request(s) or requirement(s) so that the Disclosing Party may seek an appropriate protective order, at its sole cost, or waive compliance by the Receiving Party with the provisions of this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, the Receiving Party is nonetheless, in the opinion of the Receiving Party, legally required to disclose the Confidential Information forwarded by the Disclosing Party, the Receiving Party may disclose such information without liability hereunder, provided, however, that the Receiving Party shall disclose only that portion of such Confidential Information which it considers that it is legally required to disclose.

Upon termination of this Agreement, or upon Disclosing Party's earlier request, Receiving Party shall promptly deliver to Disclosing Party all Confidential Information and any other material which Disclosing Party furnishes to Receiving Party in connection with this Agreement.

## **17. INTELLECTUAL PROPERTY**

USI and Client shall each retain individual ownership of all materials, ideas, concepts, inventions, discoveries, plans, product names, proprietary information, patents, copyrights, documents, data,



programs, training materials, slogans, artwork, research data and results and marketing designs that each provides to this consulting effort (the "Existing Materials"). All Existing Materials shall be subject to the terms and conditions of the confidentiality provisions contained herein. Any and all ideas, concepts, inventions, discoveries, plans, product names, proprietary information, patents, copyrights, documents, data, programs, training materials, slogans, artwork, research data and results and marketing designs (the "Work Product") conceived or developed between USI and Client hereunder, to the extent that such Work Product is distinct from the individually-owned Existing Materials, shall become the sole and exclusive property of Client. Client agrees to hereby grant USI an unlimited non-exclusive license to use the Work Product, which license shall include use among USI's affiliates.

**18. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of State of Texas, without regard to its conflict of laws principles. Exclusive jurisdiction and venue of all disputes arising out of or relating to this Plan or any of the Benefit Programs shall be in any court of appropriate jurisdiction in Brazos County, Texas.

**19. NOTICES**

Any notices required to be given under this Agreement shall be in writing and may be sent by certified mail, return receipt requested, or by confirmed facsimile, to the following addresses which may be changed, from time to time, by written notice as provided herein, setting forth the new address.

Client: 200 South Texas Ave, Suite 206 Bryan, TX 77803

USI: 9811 Katy Freeway, Suite 500, Houston, TX 77024



**OTHER GENERAL LEGAL PROVISIONS**

If any part, term, or provision of this Agreement shall be found by a court to be legally invalid or unenforceable, then such provision or portion thereof shall be performed in accordance with applicable laws. The invalidity or unenforceability of any provision or portion of any contract document shall not affect the validity of any other provisions or portion of this Agreement.

The parties agree that neither party shall have any liability for indirect, special, punitive, consequential, or incidental damages, including, without limitation, loss of profits.

IN WITNESS WHEREOF, the Client and USI have executed this agreement as of the date(s) first written below.

USI Southwest, Inc.

Signature

Bethany Lovung

Print Name

Senior Vice President

Title

8/10/2022

Date

Brazos County

Signature

Duane Peters

Print Name

County Judge

Title

8/16/2022

Date



## EXHIBIT A SERVICES

### Strategy

- Provide benchmarking benefit and contribution information regarding benefit programs of employers of similar industry and size
- Conduct planning session

### Underwriting/Financial

- Review Client's current benefit program
  - Includes international benefits, if applicable
- Discuss Client's long-term and short-term goals
- Discuss Client's budget
- Review the employee/employer cost sharing structure
- Discuss how to manage cost trends
- Discuss vendor and network performance

### Clinical

- Discuss workplace wellness initiatives
- Discuss disease management effectiveness

### Compliance

- Provide checklist, compliance calendar, and business associate agreement
- Discuss any areas of concerns identified by the Client

### Management

- Discuss how to structure benefit programs to recruit and retain talent
- Discuss how to increase employee appreciation and satisfaction of benefit programs
- Develop an annual service calendar
- Present a benefits program that supports the above, including programs reflecting marketplace trends

### Marketing

- Coordinate renewal activities with all vendors
- Quantify financial impact of renewal and negotiate any variance between renewal and USI's pre-underwriting projection
- If necessary, market benefit programs to mutually agreed-upon vendors
  - Draft bid requests
  - Coordinate bid release to market
  - Respond to carrier questions and data requests
  - Negotiate best and final offers



- Respond to carrier questions and data requests
- Prepare and present a detailed marketing and renewal report including:
  - Total and itemized costs
  - Rate guarantees
  - Network discount analysis
  - Provider disruption analysis
  - Performance guarantees, if available from the vendor or carrier
  - Benefit designs and variances
  - Carrier financial ratings
- Arrange for and conduct finalist meetings, if such meetings are requested by Client
- Manage implementation process
  - Review and negotiate final agreements and contracts to ensure they conform to bid specifications
  - Assist with open enrollment meetings
  - Review all vendor-provided employee communications, SPDs, and benefit booklets for negotiated terms
  - Coordinate the administrative set-up between the employer and vendors for reporting, billing, banking, and data transfers
  - Manage a post implementation debriefing with vendors to discuss performance and needed areas for improvement, when appropriate
- Prepare and submit executive summary of final decisions

**Underwriting/Financial** (Services below are subject to USI discretion, Client request, and data availability)

- Provide a trend analysis
- Provide a fixed cost and funding analysis
- Provide plan design modeling
- Present consumer-driven health care options
- Analyze reserves
- Review medical inflation trend reviews
- Perform stop loss limit review and enter into contract negotiations
- Provide cost/benefit analysis of ancillary benefit programs
- Calculate pre-renewal projection
- Calculate accruals and COBRA rates for self-insured plans
- Provide a financial reporting package:
  - Paid claims segregated by medical, dental, and pharmacy, by month
  - Enrollment, by month
  - High claimant activity report
  - Historical cost trend analysis
  - Report actual plan expenses compared to budget

#### **Clinical**

##### **Population Health Management**

- Provide monthly communications



- Provide sample forms, documents, and communications for health management programs
- Review carrier health management program offerings and disease management capabilities/effectiveness
- Perform a health management feasibility analysis and assist in designing a three-year health management program and incentive management structure
- Provide cross claims analysis and predictive modeling
- Provide ongoing health management program monitoring and return-on-investment reporting

#### Medical Director

- Provide large claims intervention
- Provide medical director review and intervention, at USI's discretion

#### **Compliance**

- Provide compliance updates regularly
- Provide webinars and/or seminars periodically
- Provide assistance with compliance questions raised by Client
- Provide checklists to aid in compliance (e.g., SPD content and distribution requirements)
- Provide sample forms (e.g., smoker/non-smoker affidavit)

#### **Account Management**

- Provide claims, billing, and eligibility resolution
- Assist in resolving employees' escalated issues
- Manage the service calendar
- Provide annual stewardship report (for select accounts only)
  - Review prior year accomplishments vs. objectives
  - Provide industry overview and benefit trends
  - Develop goals and objectives for upcoming year
  - Solicit feedback on USI's services
- Schedule and participate in meetings with your staff to discuss issues, open items, and industry trends
- Facilitate service meetings with vendors to address particular concerns or needs and measure results against performance guarantees
- Meet when requested by Client and as recommended by USI to review financials and to discuss/review other open items
- Review vendor proposed updates to contracts, SPDs, and benefit summaries for accurate terms, plan requirements, and plan design
- Monitor and report on carrier financial ratings for contracted vendors
- Coordinate benefit decisions and plan details with vendor(s)
  - Plan design decisions
  - Facilitate meetings/conference calls between vendors
- Develop and manage implementation schedule for any plan changes and/or service changes
- Benefit Resource Center (BRC) - Standard



### **Open Enrollment**

- Conduct employee meetings (minimum 25 employees in attendance)
- Manage vendor participation in the open enrollment process
- Provide personalized enrollment materials

### **Communications**

- Provide employee benefit statements (hidden paychecks) upon request by Client
- Provide employees with informational material regarding plan design, eligibility, etc., branded for the Client and available in various mediums
- Provide multilingual support, when requested by Client
- Provide consultation in the selection and implementation of a BenAdmin or HCM system, when requested by Client
- Provide an employee benefits mobile application

**Note:** Client is responsible for paying all postage associated with any printed employee-facing materials.



## EXHIBIT B FEE SCHEDULE

In consideration of the performance of the Services as described in Exhibit A, USI shall be compensated as outlined below:

Monthly USI Fees:	\$10,000.00
Total Annual Compensation:	\$120,000.00

### DISCLOSURE STATEMENT

**CLIENT HEREBY ACKNOWLEDGES THAT USI HAS NOTIFIED CLIENT OF THE ABOVE FEE REQUIREMENT PRIOR TO PROVIDING THE SERVICES CONTEMPLATED BY THIS AGREEMENT.**

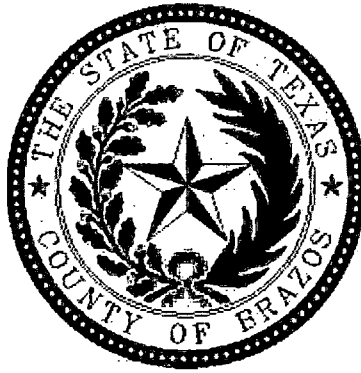
**CLIENT MAY CALL THE TOLL-FREE TELEPHONE NUMBER (1-800-252-3439) OF THE TEXAS DEPARTMENT OF INSURANCE TO OBTAIN INFORMATION ON HOW TO FILE A COMPLAINT IF CLIENT HAS A COMPLAINT REGARDING SUCH FEE.**

1. Fees will be billed by USI on a monthly basis and are due by the beginning of the month for which services are provided. An additional service fee of \$50 per month will be charged to accounts more than thirty (30) days past due.

Compensation will be in effect for the Term unless modified in accordance with Section 12 of the Agreement.

2. For direct expenses incurred in connection with the provided brokerage services (e.g. postage and delivery fees), these expenses will be billed to the Client as needed. Invoices for direct expenses will be due within 30 days of the invoice date.
3. For specific services that are requested by the Client (e.g. special projects), but not outlined in the description of services to be provided by USI, the Client will be billed for work performed. The cost for these services will be billed on a per hour basis or per project basis and included in the next available monthly invoice. No services will be performed without prior written approval from the Client.

**ORIGINAL**



## **REQUEST FOR PROPOSALS**

**RFP NO. 22-123**

**Benefits Consultant**

**SEALED PROPOSALS TO BE SUBMITTED BEFORE:**

**Tuesday, June 14, 2022 2:00pm CST**

**TO THE:**

**BRAZOS COUNTY**

**PURCHASING DEPARTMENT**

**200 S. Texas Ave. Suite 352**

**Bryan, TX 77803**

**Phone: (979) 361-4290**

**Fax: (979) 361-4293**

Respondents, their employees and/or representatives are prohibited from contacting any official or employee of Brazos County, except the Purchasing Agent, regarding this solicitation from the issuing date of the solicitation until scheduled oral presentations or the date the Brazos County Commissioners Court meets to consider award of the RFP. Any such contact will be grounds for rejection of the vendor's proposal.

In compliance with this solicitation, the undersigned proposer having examined the solicitation and specifications and being familiar with the conditions to be met, hereby submits the following RFP for furnishing the material and/or services listed on the attached bid form and agrees to deliver said items at the locations and for the prices set forth on the bid form.

Company Name: USI Southwest, Inc.

By (Print): Brenda Cos Title: VP, Strategic Account Executive

Physical Address: 9811 Katy Freeway, Suite 500, Houston, TX 77024

Mailing Address: Same as above

Telephone: 713.490.4611 Fax: 484.652.5200 E-Mail: brenda.cos@usi.com



Response to Request for Proposal for RFP No. 22-123  
Benefits Consultant  
**Brazos County**

Due on or before  
2:00 PM CST  
June 14, 2022

Submitted by:

Brenda Cos  
Partner, Producer Account Executive

USI Southwest, Inc.  
9811 Katy Freeway, Suite 500  
Houston, TX 77024  
Phone: 713.490.4611  
Mobile: 281.782.0745  
Email: [brenda.cos@usi.com](mailto:brenda.cos@usi.com)

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

**CONFIDENTIAL AND PROPRIETARY:** This document and the information contained herein is confidential and proprietary information of USI Insurance Services, LLC ("USI"). Recipient agrees not to copy, reproduce, or distribute this document, in whole or in part, without the prior written consent of USI. Estimates are illustrative given data limitation, may not be cumulative, and are subject to change based on carrier underwriting.

Response to RFP for: Brazos County. RFP No. 22-123. RFP due date: 6/14/2022  
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THE USI  ONE ADVANTAGE<sup>®</sup>

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# EXECUTIVE SUMMARY

*We're the right team for the job. USI listens to your needs, understanding your unique culture and challenges, and will deliver customized solutions with quantifiable impact on Brazos County's bottom line.*



USI will collaborate with Brazos County to develop a program that aligns with achieving your goals, including:

- ***Innovative strategies***

We understand the unique risk exposures Brazos County faces. Our approach to helping you with the evaluation, analysis, optimization, and ongoing strategic management of your employee benefits plans relies upon a powerful process we call the **USI ONE Advantage®**. Whether it is actuarial analysis, creating or enhancing wellness plans, or employee communication, USI utilizes our powerful repository of operational know-how to get the job done efficiently and effectively.

- ***Cost control***

Our program includes in-house underwriting and actuarial expertise combined with strong market leverage which will help Brazos County lower overall expenditures for health and welfare benefits.

- ***Experience team/partner***

With USI, you receive the experience of a large, national broker/consultant with the personal attention and service of a centralized local office/account team that's located in Houston, TX and is supported by our in-house National Technical Resources team.

As a public entity, Brazos County has unique exposures. Through our experience with public-sector clients nationwide, USI Insurance Services (USI) understands the unique demands and risks associated with Brazos County including an understanding that your first responsibility is to your constituents and/or their taxpayers. This primary public responsibility drives all our recommendations and solutions.

USI Employee Benefits is proud to provide brokerage and consulting services to approximately **11,500 clients nationwide** including virtually every industry segment — both private and public. USI's collective experience with over **1,600 clients in the government/public entity sector** delivers a deep understanding of your challenges and proven services and solutions to assist Brazos County with them. Our experience indicates some of these challenges include access to technical resources, cost-control, multi-year strategic planning, increased compliance requirements, and engaging employees to be better stewards of their own health. We offer solutions that address these concerns — our in-house network of regional Technical Resources such as Underwriting and Analytics (advanced underwriting tools), Benefits Compliance, Population Health Management, and transparency solutions.

USI's proprietary OMNI Knowledge Engine™ captures the experience of our clients across the USI enterprise. Small firms typically can't match Omni's breadth and depth of solutions, and large firms often keep the knowledge resident in the minds of a few national experts. Omni offers broad coverage of each business area enabling us to deliver actionable solutions with quantifiable financial impact to Brazos County.

Our goal is to surround you with the resources and service needed to enable you to continue to concentrate on the issues most important to you without worrying about whether programs are being properly minded and maintained. And our commitment to Brazos County will be proven through superior customer service, strategic planning and guidance, innovative solutions for continuous plan improvement, and hands-on, local support for your benefit goals and plans.

We have reviewed **Brazos County's Scope of Services** and confirm that we can provide all services requested.

# SCOPE OF SERVICES

The following services are inclusive of, but not exclusive of, Consultant/Broker activities:	Confirmed core service included in fee
1. Bring coverages together	✓
a. Medical, Dental, Vision, EAP, Life Insurance (group and optional), AD&D, LTD, Section 125, etc.	
2. Provide up to date, best practice information, to the County regarding regional and national trends, labor market conditions, claims cost trends, legal requirements, and innovative ideas in the benefit plan design and administration with implication and cost benefit analysis.	✓
3. Review and evaluate current scope of benefits package with evaluation if existing benefits and recommendations for updates, new products, programs, and services to ensure a competitive benefits plan.	✓
4. Review and report on plan performance benchmarks with comparisons to the local area and industry.	✓
5. Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies and procedures.	✓
6. Provide information, guidance, and review compliance for ACA, COBRA, HIPAA, Medicare Part D, and other regulatory compliance and reporting that affects the administration of plan benefits and all related plan documents.	✓
7. Research and advise the County on any new developments in relevant regulations, and employee benefit programs on an ongoing basis and ensuring the County remains in compliance.	✓
8. Review and analyze claims experience data, claims service, efficiency, and accuracy of claims administration to ensure that the County is receiving optimum service and benefits from all carriers and vendors.	✓
9. Work with the County to develop funding and contribution strategies for active employees, retirees, and COBRA participants.	✓
10. Represent the County in all negotiations with providers on all issues including those related to premiums, benefit levels, plan design, and special terms and conditions.	✓
11. Manage/Assist with the renewal process with carriers.	✓
12. Provide renewal alternatives with cost impact of benefit plan changes.	✓
13. Would like to see Consultant/Broker staffed with:	✓
a. Underwriters	✓
b. Population Health Management Team	✓
c. Actuaries	✓
d. Communications Team	✓
e. Wellness Team	✓
f. ERISA Attorney	✓
g. Medical Director	✓
h. ACA Compliance Attorney	✓
i. Pharmaceutical Consultant	✓
j. HR Technical Resources	✓
k. Training Resources/County Interaction	✓
i. Provides on-site compliance training for Human Resources staff (ERISA, HIPAA, etc.).	✓
ii. Presentation assistance in addition to onsite meetings for Open Enrollment and Budget consultations with Commissioner's Court.	✓
l. Underwriting and Insurance Analytics	✓
i. In-house Financial Analysts and Underwriters	✓
ii. Renewal Projections and Funding Analysis	✓
iii. Claims Cost and Risk Assessment iv. Trend Mitigation	✓
iv. Trend Mitigation	✓

The following services are inclusive of, but not exclusive of, Consultant/Broker activities:	Confirmed core service included in fee
v. Contract Review	✓
vi. Benchmarking and Market Review vii. Predictive Modeling	✓
vii. Predictive Modeling	✓
viii. Ancillary Analysis	✓
ix. Disruption Assessment	✓
x. International Exposure Analysis xi. Long Term Strategic Planning	✓
xi. Long Term Strategic Planning	✓
m. Reporting	✓
i. Provides reports relating to plan performance, trends, and claims analysis	✓
ii. Claims information (percent of benefits dollars paid by employee vs county, benefits paid by type of service, discount levels, etc.)	✓
iii. Comparison on current costs to renewal costs, plan funding to budget comparison, fixed expense comparison, and future plan cost projections	✓
iv. Incurred by not reported (IBNR) claims analysis	✓
v. Stop Loss projections	✓
vi. Trend analysis	✓
vii. Plan design modeling and benchmarking	✓
n. Complete administration of Medicare Part D notices to all required parties	✓
o. Administration of CMS Responses	✓
i. Complete administration of Center for Medicare and Medicaid Services (CMS) Responses to include but not limited to the drafting of responses of the County's behalf, review of claims, and drafting of defenses in response to Intent to Refer (ITR) letters.	✓
p. Patient Advocacy	✓
i. Clinical support, care coordination, and Rx advocate	✓
q. Stop Loss Consortium	✓
r. Pharmacy	✓
i. Client Specific Pharmacy Trend and Benchmark Analysis	✓
ii. Performance Analysis	✓
iii. Rx Pricing Strategies	✓
iv. Rx Program Management Strategies	✓
v. Specialty Program Review	✓
s. Internal Claims Analytics	✓
i. Direct feed from Insurance Carrier	✓
ii. Analyze claims, top diagnosis, top Rx claims, etc.	✓
iii. Benchmarking	✓
14. The consultant/broker shall not accept or receive any direct or indirect compensation, gift, commission, revenue, remuneration, or other form of payment from any other source for the placement of insurance business with Brazos County.	✓
15. A broker retained by this contract may not submit any insurance carrier proposal to the county or direct any county insurance business to an insurance carrier if the broker has a business relationship or proposed business relationship with the carrier, including an appointment, unless the broker first discloses the nature of that relationship or proposed relationship in writing, to the County Purchasing Agent.	✓



**Brenda Cos**  
USI Southwest, Inc.  
9811 Katy Freeway, Suite 500  
Houston, TX 77024

June 14, 2022

Brazos County Purchasing Department  
Administration Building  
200 South Texas Avenue, Suite 352  
Bryan, TX 77803

RE: Request for Proposal for Benefits Consultant/RFP No. 22-123

To Whom It May Concern,

We understand that Brazos County is seeking an employee benefits insurance consultant/broker who can provide high quality, comprehensive coverage and solutions for health & welfare. USI Insurance Services (USI) is privileged to have the opportunity to respond to this request. USI can deliver quantifiable cost-savings through our ability to provide comprehensive benefits for your employees and cost-effective plans for your bottom line. Your USI account team will leverage our USI ONE® Omni engine – integrating proprietary business analytics with our network of local and national technical experts – to evaluate Brazos County’s risk profile and identify unique solutions. Built in-house by USI subject matter experts, Omni captures the experience of more than 150,000 clients, thousands of professionals, and over 150 years of business activity to deliver both cost reduction and service enhancement solutions to Brazos County’s unique employee benefits needs.

As your consultant/broker, we will be proactive in addressing your most pressing needs as outlined in your RFP. We will not only demonstrate our technical knowledge and consulting experience, but also bring strategic know-how and proprietary actuarial support to supplement our abilities and provide the best services for you. Please accept this proposal as our intent to serve as Brazos County’s employee benefits insurance consultant.

**We have the resources to:**

- Evaluate, design, and advise on a comprehensive strategy for your employee benefit programs that helps meet Brazos County’s short- and long-term goals from both a human capital and financial perspective
- Provide insight into industry best practices, market trends, as well as peer benchmarking so Brazos County can maintain a competitive benefits program that meets its financial objectives
- Analyze your healthcare costs to identify and help manage the underlying cost drivers of your plan
- Advise you to help you manage your healthcare program to minimize the financial and administrative burdens of the Patient Protection and Affordable Care Act
- Provide comprehensive, dedicated support on questions and issues that arise with your plans
- Support and advise on benefits-related regulatory and compliance topics
- Identify technological solutions to help administer and communicate your benefit plans
- Continue to provide a dedicated account team with over 20 years of experience in employee benefits

We are uniquely qualified to understand your goals for your benefits programs and to assist you with setting a strategy that will help you achieve them. This, we believe, will lead to a truly rewarding business relationship and an overall better value for Brazos County. Brazos County will be an important and valued client to USI, and we would appreciate the opportunity to develop our relationship. Please do not hesitate to contact me for further information or clarification.

Sincerely,

Brenda Cos  
Partner, Producer Account Executive  
Direct dial: 713.490.4611 | Mobile: 713.782.0745  
Email: [brenda.cos@usi.com](mailto:brenda.cos@usi.com)

# C. COMPANY BIOGRAPHY AND OTHER INFORMATION

Provide a brief company history including date founded, number of employees, company headquarters location and operating locations, and past projects and accomplishments. Respondent may also provide any other general information that the proposer believes is appropriate to assist the County in its evaluation.

Founded in 1994, incorporated in Delaware and headquartered in Valhalla, New York, USI Insurance Services, LLC (“USI”) is one of the largest privately held insurance brokerage and consulting firms in the world, delivering employee benefits, property and casualty, personal risk, program, and retirement solutions throughout the United States. For more information, visit [www.usi.com](http://www.usi.com).

USI and its wholly owned insurance operations and subsidiaries are registered to do business and insurance department licensed in all necessary lines of authority in all 50 U.S. States, District of Columbia, and several U.S. Territories. We invite you to view our interactive map of locations here: <http://www.usi.com/about-usi/locations/>.

**USI at a Glance**

THE USI ONE ADVANTAGE<sup>®</sup>

**2<sup>nd</sup>** Largest privately-held broker of U.S. business

**"Top Insurance Employer"**  
Four Years in a Row!  
Insurance Business America, 2018 - 2021

**8,000+** employees

**~200 Local offices**  
Servicing local, national, and international needs.

**500,000+** clients served

**\$2 BILLION** in Revenue  
Over

**150+** Years of brokerage experience  
through our acquired agencies

PROPERTY & CASUALTY • EMPLOYEE BENEFITS • PERSONAL RISK • PROGRAMS • RETIREMENT CONSULTING

USI's Southwest Region includes offices located throughout the Southwest with over 800 insurance professionals and specialists across a broad spectrum. Our USI Houston office, headquarters for our Southwest Region, has been a long-standing part of the city's history and has been serving the local community since 1873.

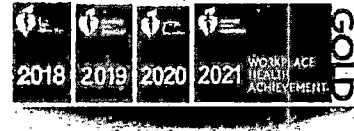
USI began with a single office of \$6.5 million of revenue and 40 associates. USI has become a leading insurance brokerage nationwide with more than \$2 billion in revenue. Over the past two decades — through both sustainable, organic growth and a series of strategic acquisitions — USI has become a leading insurance brokerage nationwide. USI is owned by KKR, Caisse de dépôt et placement du Québec (CDPQ), and hundreds of USI sales professionals, leadership, and employees. KKR is a global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit, and hedge funds. CDPQ is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans.

USI was named as one of **America's Best Large Employers** by *Forbes* magazine for two consecutive years (2019, 2018). In August 2021, USI was recognized as a **Top Insurance Workplace** by Insurance Business America (IBA) for a fourth consecutive year (2018-2021). IBA's annual Top Insurance Workplaces program ranks leading U.S. insurance organizations based on a series of employee satisfaction metrics, including benefits, compensation, culture, employee development and diversity. And, for a second year in a row, USI was named to *Business Insurance's* list of **Best Places to Work in Insurance** (2021, 2020).

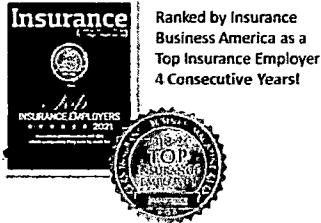
## Award Winning Culture



Best Place to Work  
in Insurance –  
2 years in a row!



American Heart  
Association  
Gold Achievement  
4 years in a Row!



'Best of the Best' Employer for  
Multicultural Women in the  
Insurance Industry  
4 Years in a Row!



Black EOE Journal's  
Best of the Best  
Insurance  
Employers  
for African  
Americans  
3 Years in a Row!



HISPANIC Network  
Magazine Best of the  
Best Insurance  
Employer for  
Hispanics in 2021!

Even through periods of significant growth and change, we have remained true to the philosophy and principles that have guided us since our inception:

- Long-term relationships and partnerships
- Leadership
- Commitment to the community
- Investment in our associates
- A belief in respect and authenticity

---

USI stands for  
**Understand,**  
**Service,** and  
**Innovate.**

At USI, our mission is:

- To **Understand** the specific needs of our clients
  - To provide an unparalleled local **Service** experience
  - To **Innovate** with cutting edge solutions so our clients can continue to invest and grow
- 

Our approach to providing the best benefit choices and cost savings strategies to our clients has nothing to do with pushing proprietary products. We believe in being 100% objective with all products; always focusing on what is in the best interest of our clients. It's about building long-term relationships with each client.

### What Makes USI Different? The USI ONE Advantage®

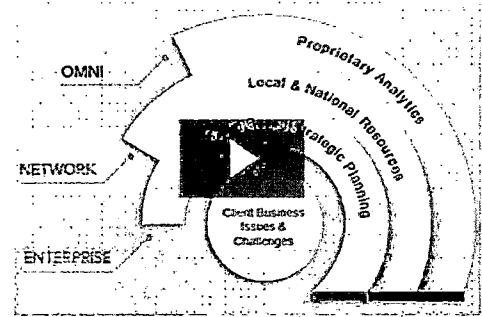
What truly distinguishes USI as a leading insurance brokerage and consulting firm is the USI ONE Advantage®, a game-changing value proposition that delivers clients a robust set of risk management and benefit solutions and exclusive resources with financial impact.

The power of USI, and our ability to bring best-in-class solutions and services to our clients and our communities, is achieved through the collective knowledge and experience of our professionals coming together as ONE.

USI has become a premier insurance brokerage and consulting firm by leveraging the USI ONE Advantage, which consists of:

### Omni Knowledge Engine™ – USI’s Proprietary Analytics

Omni, which means “all,” is USI’s one-of-a-kind solutions platform — real time, interactive, dynamic and evolving, and customized for each client. Built in-house by USI subject matter experts, Omni captures the experience of more than 500,000 clients, thousands of professionals, and over 150 years of business activity through our acquired agencies into targeted, actionable solutions.



### Network – USI’s Local and National Resources

USI has made a very large investment in local resources and technical expertise, with more than 8,000 professionals networked nationally to build strong vertical capabilities and integrated account teams. Our local and regional experts ensure account team availability, hands-on service, and ongoing diligent follow-through so we can deliver on the solutions we customize for our clients.

▶ View our **ONE Advantage®** video at [www.whatbetterlooklike.com](http://www.whatbetterlooklike.com).

### Enterprise – USI’s Team-Based Strategic Planning

USI’s enterprise planning is a disciplined, focused, analysis centered on our client’s issues and challenges. Highly consultative meetings integrate USI’s Omni analytics with our broad resource network to build a risk management strategy aligned with client business needs. Our enterprise process is a proven method for identifying, quantifying, and minimizing client risk exposures.

### USI Employee Benefits

USI’s employee benefit resources are designed to contain cost, promote regulatory compliance, and deliver superior account service. We focus on seven primary employee benefit service areas:

- **Underwriting and Insurance Analytics** – Analyzing data from multiple sources to manage and negotiate plan costs.
- **HR Services** – Administration platforms, call centers, and service calendars to ease administrative burdens.
- **Population Health Management** – Wellness design, disease management analysis, and aligned incentives to improve health.
- **Legislative Compliance/Healthcare Reform** – Tools, expert guidance, and policies to promote compliance with federal and state regulations.
- **Healthcare Cost Management** – Options for members to make more efficient care decisions without sacrificing quality.
- **Pharmacy Benefit Consulting** – Solutions to increase transparency and minimize pharmacy costs.
- **Ancillary Benefit Consulting** – Competitive marketing and scoring to drive results for other benefit services.

We serve 99% of our employee benefits clients as both consultant and broker, meaning that we not only competitively market and place your benefit plans with the best-fit carriers, but also are actively involved in working with you to address your company’s needs in the areas of strategic planning, enrollment, employee communication, benchmarking, claims resolution, reporting and compliance — to name just a few — throughout the entire plan year.

By design, our consultative approach incorporates a high level of client contact. While other firms may have sales executives who “write the business” and then hand the client off to other associates for long-term and day-to-day management, we’ve structured our organization so that our most-experienced executives remain involved with the client throughout the entire course of our relationship. We employ this model because we know it makes a significant difference in the level of quality, access, communication, and results for our clients.

## D. EXPERIENCE, PAST PERFORMANCE, AND CAPACITY

**Proposers must submit under this tab a concise descriptive of its experience, past performance, and capacity to deliver the proposed services.**

### USI's Government/Public Sector Experience

As a government organization with unique exposures in the public entity space, we understand the demands and risks associated with Brazos County's industry, including compliance with legislative regulations, employee communications, and cost control, among others. We value your intent to partner with an experienced broker/consultant with a proven track record of successfully providing the outlined "Scope of Services" for employers of comparable size and complexity.

---

USI is proud to serve 1,600+ government/public sector clients nationwide including 75+ in the Southwest.

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Our ultimate goal is to provide Brazos County with the resources and service needed to enable you to continue to concentrate on the issues most important to you without worrying about whether or not programs are running smoothly.

USI, and specifically your account team, has a depth and breadth of experience advising public employers on health and welfare issues, including contract negotiation of annual premium rates and benefit designs with health plan carriers. We offer considerable experience in these benefit plans and their unique funding requirements. Our experts will help you make actuarially and fiscally prudent strategic decisions about plan options, improvements, innovations, and possibilities. Our goal to become your valued insurance consultant includes developing and managing a financially sound program that provides a robust set of offerings for the valued employees of Brazos County.

### Keys to Negotiating Success – Market Leverage & Early Renewal

USI is an independent broker/consultant that is not affiliated with any insurance company, third party administrative agency, or provider network. This allows us to pair Brazos County with the carriers, vendors, and administrative partners that most-closely align with your specific needs and service requirements.

In concert with Brazos County's leadership, we select the appropriate products and services; negotiate contracts; and work with carriers to develop an implementation timeline that meets the needs of Brazos County and your employees.

**Expertise** – Your lead strategic consultant offers detailed knowledge of carrier underwriting, provider contracting, and product design. Their tenure in the market affords long-term relationships with all major carriers and their senior management. Utilizing this expertise and their market connections, negotiations through the Houston, TX office have proven to exceed clients' historic renewals and deliver beyond their expectations.

**Effort** – The only way to achieve optimal results is through significant attention to detail, exhaustive marketing, and focused negotiation. This is the standard against which the account team handles all client renewals — never settling until we achieve maximum results for the client.

Our team consists of underwriter experts, clinicians, network specialists, and management from the service provider side. USI understands providers' internal models with respect to contractual arrangements and retention models. Our team develops the renewal using standard underwriting guidelines with the appropriate factors including, but not limited to pooling, retention, margin, trend, benefit adjustments, legislative changes, and more. Our market leverage allows us direct access to carrier underwriters, and our analysis serves to effectively position our clients to receive best pricing.

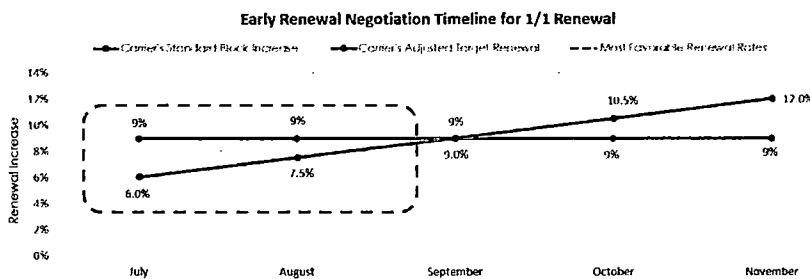
### UNDERWRITING & ANALYTICS: Market Leverage and Early Renewal

USI leverages our market size to aggressively work with carriers to secure early renewal pricing, allowing for the most effective negotiation position.

- Fully insured and manually rated stop loss contracts are block underwritten with trend increases ranging from 8% to 15%
- Carriers typically allow for an 8% to 10% flexibility on a case-by-case basis
- USI begins negotiations as rates are released to take advantage of carrier's flexibility

#### Impact and Benefits

- Estimated premium reduction of **2-6%** due to early renewal
- Underwriting flexibility naturally reduces as renewal date approaches
- Early lock of stop loss contracts provides greater stability to the renewal process



### Preferential Process Creates Favorable Results

**Market Leverage** – USI is at the highest tier for brokers/consultants with all major medical carriers. At the national level, we have preferred relationships with most national stop loss and ancillary carriers. We have established long-term relationships with senior management at all top carriers. As an industry leader, most national carriers have identified us as one of their key avenues for growth. We have been identified as a significant business partner based on our market presence, the professional way we do business, and our current mutual book of business. We meet on an ongoing basis with all insurance markets to determine the current and future direction and strategy of their organization. As an organization, we embrace a model of partnership and fair but firm treatment of these organizations. This approach strengthens our relationship with the carriers and lends credence to the voice we bring on behalf of our clients. Additionally, we are innovative in developing performance guarantees that have an impact on items that make a difference. We help ensure that all parties deliver meaningful services and real results.

Finally, we believe in treating carriers with mutual respect. It is important to understand that volume alone is not the sole determinant in market leverage. We believe prior experience with the carrier staff, the client's approach toward market relations, and the broker's book of business all play critical roles. Quality analytics, trust earned with the carrier's underwriter, and our valued advisor-client relationship all serve to supplement the significant leverage we maintain through book of business volume.

### USI Annual Scope of Services

We believe our full-service culture, team-oriented approach, and service delivery process allows us to stand out from our competitors and is the ideal model for Brazos County's employee benefits needs. The ability to develop a partnership with Brazos County and become an invaluable resource to your human resources and finance departments is driven by the strength of our comprehensive Annual Scope of Services. Clinical team members being present locally are client-facing and provide a competitive edge for USI by offering both a Medical Doctor and Pharmacist as part of our consulting team, and their services are included in our fee.

**USI Annual Scope of Services – Included in Annual Consulting Fee**

<b>Program Service Management</b>	<b>Action Details</b>
<b>Annual Services Timeline</b>	In cooperation with your Human Resource team, we will develop an annual services timeline that will serve as our roadmap to ensure agreed upon goals are achieved, deadlines are met, and dialogue is ongoing.
<b>Determine Short and Long-Term Program Goals and Strategy Development</b>	<ul style="list-style-type: none"> <li>▪ Uncover benefits philosophy</li> <li>▪ Develop plan implementation strategy</li> <li>▪ Benchmark plans against local and industry peers and market trends</li> <li>▪ Review past plan financial performance</li> <li>▪ Review plan performance and discuss alternative designs</li> <li>▪ Advise on National and Local Marketplace trends</li> <li>▪ Discuss annual objectives and determine initiatives for upcoming year</li> <li>▪ Develop annual budgets</li> <li>▪ Create strategic plan design</li> <li>▪ Wellness/Population Health Management</li> </ul>
<b>Plan Review and Analysis</b>	<ul style="list-style-type: none"> <li>▪ Quarterly review and claim reporting</li> <li>▪ Benchmarking survey information</li> <li>▪ USI Total Solutions: Plan Design and Cost Savings Modeling Tool</li> <li>▪ 3D: Data Drives Decisions – Proprietary data analytics tool that identifies primary cost drivers and USI recommends solutions to mitigate costs</li> <li>▪ Create contribution strategy exhibits and analysis</li> <li>▪ Calculate Incurred But Not Reported (IBNR) claims liabilities when applicable</li> <li>▪ Mid-Year renewal analysis and projection</li> <li>▪ Cost containment audit</li> </ul>
<b>Carrier Negotiations and Renewal</b>	<ul style="list-style-type: none"> <li>▪ Establish renewal action plan work steps and associated timeline</li> <li>▪ Carrier plan specifications up-load</li> <li>▪ Network analysis</li> <li>▪ Negotiate plan run-out processing</li> <li>▪ Manage stop loss integrity</li> <li>▪ Review of plan contracts</li> <li>▪ Review of booklets and web content</li> <li>▪ Implementation support</li> <li>▪ Bind coverage of selected insurers</li> </ul>
<b>Employee Communications</b>	<ul style="list-style-type: none"> <li>▪ Build comprehensive communications strategy based on your budget</li> <li>▪ Provide open enrollment coordination and support and attend meetings</li> <li>▪ Create Open Enrollment Guide</li> <li>▪ Open enrollment and new-hire orientation support via Brainshark® presentations</li> <li>▪ USI Benefit Resource Center</li> <li>▪ Create customized MyBenefits2Go mobile app</li> <li>▪ Create interactive educational tools to assist employees in plan selection for medical, dental, and other benefits via Flimp®, Brainshark, and Jellyvision®</li> </ul>
<b>Population Health Management and Wellness Programs</b>	<ul style="list-style-type: none"> <li>▪ Develop overall program design, vision, multi-year strategy, and structure</li> <li>▪ Create annual calendar of events and activities</li> <li>▪ Integrate with existing plans and vendors</li> <li>▪ Develop defined metrics and targets to measure success</li> <li>▪ Determine incentive design (activity-based, results-based or a combination) to drive healthy behaviors and/or outcomes</li> <li>▪ Integrate with benefits design (e.g., deductibles, premium differentials, contributions, HRA deposits)</li> <li>▪ Deliver employee education and communication</li> <li>▪ Leverage carrier programs and resources when appropriate (e.g., health coaching, disease management, quality provider networks, etc.)</li> <li>▪ Layer additional resources from health organizations/wellness vendors</li> </ul>
<b>Compliance Matters</b>	<ul style="list-style-type: none"> <li>▪ Frequent federal and state legislative updates</li> <li>▪ Employee and employer communications</li> <li>▪ Compliance updates</li> <li>▪ USI Health Care Reform and Risk Modeling Tool</li> <li>▪ Evaluation of SPDs, SBCs, and wrap documents</li> <li>▪ Signature-ready 5500 forms</li> <li>▪ HIPAA privacy interpretation</li> <li>▪ Reporting and disclosure guidance</li> <li>▪ Eligibility definitions and non-discrimination requirements</li> <li>▪ Extra-territorial state monitoring</li> <li>▪ Host webinars and seminars on compliance issues</li> </ul>

**USI Annual Scope of Services – Included in Annual Consulting Fee**

<b>Program Service Management</b>	<b>Action Details</b>
<b>PBM Review and Contract Negotiation</b>	<ul style="list-style-type: none"> <li>▪ Client Specific Pharmacy Trend and Benchmark Analysis</li> <li>▪ Performance Analysis</li> <li>▪ Rx Pricing Strategies</li> <li>▪ Rx Program Management Strategies</li> <li>▪ Specialty Program Review</li> <li>▪ Pass-through Pricing (no-spread pricing) contracts</li> </ul>
<b>Plan Management Services Including Vendor Relations</b>	<ul style="list-style-type: none"> <li>▪ Proprietary Pass-Through Pharmacy Program – USI Clear Options Rx</li> <li>▪ Average Script Price Program</li> <li>▪ USI provides a seven-point contract review to facilitate negotiation of favorable terms and pricing. Including but not limited to rebate terms, AWP discounts and brand definition</li> <li>▪ Monthly experience review/claims downloads</li> <li>▪ Quarterly and/or Midyear meetings</li> <li>▪ Annual renewal planning</li> <li>▪ Annual Stewardship Meeting</li> <li>▪ Coordinate all communication between client and vendor</li> <li>▪ Serve as client advocate</li> <li>▪ Provide guidance during vendor selection</li> <li>▪ Expedite carrier complaint resolution</li> <li>▪ Management of service representation</li> <li>▪ Host vendor calls as needed</li> </ul>
<b>Client Service Relationship</b>	<ul style="list-style-type: none"> <li>▪ Ensure prompt and timely responses to all phone calls and emails</li> <li>▪ Protect client from HIPAA privacy exposure</li> <li>▪ Evaluate team for compatibility and effectiveness</li> <li>▪ Monthly executive summary claims review</li> <li>▪ Quarterly claims review and strategy</li> </ul>
<b>Daily Personal Service</b>	<ul style="list-style-type: none"> <li>▪ Plan design interpretation</li> <li>▪ Funding and billing issues</li> <li>▪ Legislative interpretation (COBRA, DOL, HIPAA, Family Leave, ADEA)</li> <li>▪ Administrative troubleshooting</li> <li>▪ Assist with informal employee communications</li> </ul>
<b>Vendor and Carrier Sales and Service Calls Account Management</b>	<ul style="list-style-type: none"> <li>▪ Monitor carrier financial standing</li> <li>▪ Monitor carrier ownership and corporate direction</li> <li>▪ Proactive management of additional services</li> <li>▪ Provide annual and open enrollment service calendar</li> <li>▪ Coordination with all diversified service partners</li> <li>▪ Screen new product introductions</li> <li>▪ Arrange presentations to client decision makers</li> <li>▪ Quality assurance review</li> <li>▪ Develop and monitor performance guarantees</li> <li>▪ Monthly/Bi-monthly open items log</li> <li>▪ Claims and coverage assistance</li> </ul>

**Customized USI Services**

**All Services below are included unless otherwise noted**

- One-on-one enrollment and communications with voluntary product offering
- Custom benefit statements – **cost TBD based on requirements**
- Pharmacy – Contract evaluation/negotiation
- Claims utilization review by medical professional
- USI client seminars/webinars – HIPAA, FMLA, etc.
- Employee training opportunities
- Benefit Resource Center
- \*Mineral (formerly ThinkHR) – **Additional fees may apply for a separate buy-up service – \$100 per year**
- Customized actuarial IBNR services – **cost TBD based on requirements**
- Claim audit services – **cost TBD based on requirements**
- Dependent audit – **cost TBD based on requirements**
- 6055 and 6056 reporting services – **cost TBD based on requirements**
- \*Form 5500 preparation services by third-party service provider Wrangle will be provided to Brazos County at **\$325 per year per 5500**

\* Texas, New York, and Louisiana law precludes us from covering the cost of the service.

# USI – SUPPORTING BRAZOS COUNTY'S SCOPE OF SERVICES

The USI Scope of Services shown above bullets highlights of the in-house offerings provided to our clients as part of their fee, unless otherwise noted. In the following sections, we provide a more in-depth description of what these services entail and how we will collaborate with Brazos County to support you in meeting **YOUR Scope of Services** required of a broker/consultant.

## EMPLOYER SERVICE MODEL

We believe a consultant should be a true strategic partner — providing expertise, guidance, and insight to help shape, refine, and manage a benefits program that's aligned with your unique organizational culture, goals, and budget, and then advocating on your behalf to ensure you're paired with the carriers, administrators, and vendors best able to support your strategy and vision.

In support of this belief, we make it a point to first understand your core values, needs, and concerns, while also paying attention to the details unique to you and your industry. USI is staffed by a team of professionals who are devoted to getting to know you and committed to your long-term success, and our independence and personal focus allow us to provide objective advice.

We believe those features that distinguish USI from its competitors — namely our unique, personal, and comprehensive approach (including the USI ONE Advantage®, described in greater detail earlier in our response), our commitment to your long-term success, and our extensive experience in serving clients like Brazos County — make us a valuable strategic partner, and singularly qualified to serve as Brazos County's employee benefits broker and consultant.

## Strategic Planning

USI believes a long-term strategic plan for your benefit program is essential to achieve your organizational goals. We use a proven, three-tier process to help you develop and manage a long-term plan that controls costs and creates a healthier and more engaged workforce. The process involves the planning session, a strategic plan, and the stewardship report.

### Tier 1 – Planning Session

A thorough planning process is the most effective way to create a long-term strategy that meets and exceeds the expectations of all your stakeholders — employees, senior management, and human resources. This annual meeting involves the key decision makers in your organization, including HR and senior management. This is a formal discovery process covering all aspects of your employee benefits and human resources strategy, from high-level cultural questions to detailed plan design and contribution strategy discussions.

As a precursor to this meeting USI will have conducted our due diligence in building and assessing historic experience and trend, identify key drivers of cost, assess clinical and contractual gaps, and benchmark your plan against peer entities.

During this session, we will review and discuss:

- Financial and utilization trends to identify outstanding issues.
- Demographic and participation data and any anticipated changes in workforce.
- Network discount analysis and efficiency of access.
- Pharmaceutical pricing and contractual details.
- Summary Plan Descriptions (SPDs) and any gaps in plan design.
- Benefit communication materials inventory – what's working and what's missing.
- Benchmarking plan design, total cost, cost by plan, contribution strategy, and wellness initiatives.
- Compliance issues identified current or future.

- Feedback on where you want to be both financially, culturally, and competitively.
- Employee survey results – if you have conducted or what we can do to assist in executing.

We consider the strengths of the existing programs, identify any weaknesses, and determine cost effectiveness, competitiveness, and the administration efficiency of each program.

Once we understand Brazos County’s culture and the direction you are going, the approach we take is to carefully analyze your data to determine the overall health of the population and primary cost drivers. Our multi-disciplinary team makes specific recommendation in all areas of your benefit program that would help increase the health of the population, help control cost over time, increase employee satisfaction and competitiveness of the benefit plan and ensure a sustainable benefit program. Those recommendations are then presented by our local team to share with you the immediate cost savings/plan improvements and long-term impact.

With this process, we are equipped to:

- Review and implement efficient HR processes and effective communication tools that work cohesively with your overall benefit objectives.
- Help you make educated decisions on how to invest in your benefits program.
- Manage implementation as seamlessly as possible.
- Provide ongoing support for your HR department and your employees.
- Track and report critical indicators of plan success to make changes where necessary.

## Tier 2 – Strategic Plan

Incorporating the results of the planning session, we work with your team to create a strategic plan that is consistent with your business goals, is metric-driven, and executed by our team of professionals. Developed in partnership with Brazos County, the plan serves as the guide for your employee benefits plan decisions and strategies.

The plan typically spans 1 – 3 years, understanding that through the Annual Stewardship Review process, the plan will be amended as results emerge and the operating environment within your organization changes. The plan will address both short and long-term goals. The elements of the plan follow the seven (7) key areas of our employee benefits practice including:

- Underwriting & Analytics
- HR Services
- Population Health Management
- Compliance/Healthcare Reform
- Care Intervention/Population Health Management
- Pharmacy
- Ancillary Benefits

As a part of this plan, we devise an **Annual Service Calendar** for the upcoming year listing initiatives on a month-by-month basis. The calendar aligns the necessary annual tasks required to keep a health and welfare program on track with the tasks laid out in the strategic plan. Utilizing the calendar, the entire team (both USI and Brazos County) can be held accountable and kept on task.

We recognize that healthcare has become an expensive and primarily reactive service, and so it is our goal to help counteract this trend by being a proactive, strategic, and tactical partner throughout the entire benefit year. In support of this approach — and to ensure ongoing alignment of your healthcare strategy with your organizational culture — we work with you to create a 3- to 5-year, multi-year benefits strategy that’s based not only upon data and analysis, but also upon our understanding of your past benefit strategies, as well as your current goals and desired outcomes.

It is important to note that **Annual Service Calendar** and **Multi-Year Benefits Strategy** are reviewed at every scheduled quarterly meeting to see if any adjustments are needed based on recent developments.

### Tier 3 – Stewardship Report

We meet with your HR team annually to review a detailed stewardship report is a key step towards achieving the results you desire. The stewardship report provides opportunity for both forward planning and historic review to evaluate USI’s deliverables, and to ask Brazos County if we have met your expectations towards our mutual goals.

<b>Brazos County and USI – Annual Stewardship Review includes:</b>	
<b>Annual Benefits Strategy Based upon Total Rewards Objectives</b>	<ul style="list-style-type: none"> <li>▪ Benchmark plan design and employee contribution data against local and industry peers</li> <li>▪ Review plan financial performance</li> <li>▪ Discuss annual objectives and determine initiatives for upcoming year</li> <li>▪ Review plan performance and discuss alternative designs</li> <li>▪ Discuss current benefit trends</li> </ul>
<b>Annual Renewal Strategy and Negotiation</b>	<ul style="list-style-type: none"> <li>▪ Renewal request completed and renewals received from in-force carriers</li> <li>▪ Evaluation and negotiation of in-force renewals</li> <li>▪ Funding arrangement, plan design alternatives, contribution strategies assessed, and impact analysis completed</li> </ul>
<b>Annual Services</b>	<ul style="list-style-type: none"> <li>▪ Detailed claim tracking and analysis</li> <li>▪ Document review</li> <li>▪ Administration solutions</li> <li>▪ Service provider coordination</li> <li>▪ Compliance updates</li> <li>▪ Day-to-day issue resolution</li> <li>▪ Training – seminars/webinars</li> </ul>
<b>Service Provider Analysis Market Review</b>	<ul style="list-style-type: none"> <li>▪ Consider key decision-making criteria</li> <li>▪ Create and release client-specific Request for Proposal (RFP) to carriers</li> <li>▪ Produce a summary report (includes financial analysis, change management issues, service provider scoring, etc.)</li> <li>▪ Schedule finalist meetings/site visits</li> </ul>
<b>Annual Enrollment/Communication Strategy</b>	<ul style="list-style-type: none"> <li>▪ Develop annual enrollment timeline</li> <li>▪ Prepare and update communication materials</li> <li>▪ Participate in open enrollment meetings/health fairs</li> <li>▪ Implement new and/or review administrative processes/solutions</li> </ul>
<b>Year-End Review</b>	<ul style="list-style-type: none"> <li>▪ Measure the benefits program and service results</li> <li>▪ Review service provider documents/booklets/contracts</li> <li>▪ Evaluate service provider performance/performance guarantee true-up</li> </ul>

### Communication – Ongoing Meetings and Tracking Objectives

To facilitate ongoing evaluation of our services, obtain timely feedback, and quickly respond to any concerns, we meet with Brazos County as frequently and as regularly as required. The types of meetings we expect to conduct throughout the year include:

- Initial kickoff meetings
- Assessment meetings: weekly, bi-weekly, or monthly status calls to discuss ongoing projects, open items, and upcoming meetings
- Plan performance reviews, claims data analysis and reporting
- Pre-renewal meeting and Renewal meeting
- Employee communications (i.e., Open Enrollment meetings)
- Annual client satisfaction and service scorecard meeting (Stewardship Review)
- Multi-Year Strategic Planning Meeting
- Legal and legislative updates

## Client Vignette Tool for Effective Project Management

USI utilizes multiple internal mechanisms including client service Vignettes to ensure Brazos County's satisfaction with USI. The USI office provides a separate shared folder system for each client to keep all email transmittals in a central repository that is easily accessed by any member of the team. All communications requiring action items are added to our Vignette tool as an action item as outlined in the following paragraph.

A cornerstone of our Employee Benefits consulting, project management, and service model is the client Vignette. The tracking tool is divided into various sections which include Pre-Renewal Process, Renewal Process, Open Enrollment Communications, Post Renewal/Implementation Process, Contract Review, Ongoing Service Items (Daily, Monthly, etc.), Annual/On-time USI Initiatives, Compliance, and Additional Service Items. Within this tool we will identify the task/action item or issue, action month, and the responsible party. This keeps Brazos County's open items fresh and outlines each team member who is accountable and provides constant incentive in bringing all tasks and issues to closure. This document is reviewed with Brazos County on a regular basis to help ensure that timelines are met, and all issues and projects are being addressed in a timely manner. This report provides an excellent method to document and measure all results during annual review time.

## Administrative Support

For day-to-day service and assistance, your USI account team coordinates responsibilities and procedures for your HR Staff. We also respond to questions from your HR Staff who administer employee additions, terminations, COBRA pricing, eligibility, billing reconciliation, escalation of employee issues, carrier relations, and periodic reporting. We research and respond to questions on administrative topics and processes. Your account team is accessible via cell phone and email after hours as needed by Brazos County.

## Reconciliation of Flexible Benefits, COBRA, Group Health Plans, and Other Tasks as Needed

As is our regular process, every year, we develop a budget for Brazos County's employee benefit plan including projected annual costs and per capita costs for each benefit plan offered by Brazos County. We provide details on both employer and employee costs. As the year progresses, we monitor actual results relative to the budget that was established. Throughout the year, we provide updated projections for how the year will end (using the most recent monthly data) and a projection of the costs for the upcoming renewal.

For self-funded clients like Brazos County, this process includes the setting of accrual and COBRA rates using enrollment assumptions and demographic factors. We work with you to set employee contribution levels for the various employee benefit plans. Our analysis includes projections of enrollment behavior based on various levels of employee cost.

Your USI account team is highly experienced in researching, implementing, and managing reinsurance/excess loss through stop loss providers and carriers. An additional part of our annual renewal process is an analysis of the appropriate level of stop loss protection for Brazos County to purchase. We review historical loss results, demographic data, premium rates for stop loss, and actuarial norms to help Brazos County determine the best level of stop loss to purchase. We take into consideration the level of risk tolerance and cash flow flexibility Brazos County has before the stop loss level is finalized.

## Documents Inventory and Proofing

One of the most overlooked, yet common problems a Human Resource department will have are the myriad of compliance-related documents that must be maintained and updated on a regular basis. This includes Summary Plan Descriptions, Plan documents, Summaries of Benefits and Coverage, ERISA reporting and disclosure calendars, as well as annual notices as required by Medicare, WHCRA, NMHPA, and others. USI will assist with the review and development of these materials, which are areas of expertise for your USI team. We will also develop a customized service calendar that will capture all reporting and disclosure deadlines applicable to Brazos County to assist the Human Resources Department remain in compliance with federal and state laws.

## Day-To-Day Support for Issue Resolution

**Brenda Cos** (Your Consultant), **Lina Colon** (Senior Account Manager), **Grace Bell** (Account Manager), and **Chelsea Cox** (Senior Account Representative) are available to your staff daily.

Strategic issues are the responsibility of both the Consultant and the Account Team: plan design/contribution strategy, funding recommendations, vendor selection, budgeting, cost analysis, solution recommendations, and long-range planning.

The Account Team handles most routine issues: claims, coverage questions, eligibility determination, compliance, open enrollment coordination, open enrollment follow-up, vendor management, contract review, wellness support, and employee communications. Your USI Account Team responds to questions from your HR Staff who administer employee additions, terminations, COBRA pricing, eligibility, escalation of employee issues, carrier relations, and periodic reporting. We research and respond to questions on administrative topics and processes.

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Your account service team is accessible via cell phone and email  
after hours as needed by Brazos County.

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We monitor your strategic carrier service levels, financial stability, and accuracy in contracts and/or materials provided. We coordinate information exchanges and monitor transaction accuracy between you and your service providers to ensure that the performance of service provider services meet your expectations. We strive to keep your benefit plan operating at the optimal level throughout the plan year.

Our team approach means that each account team member is held responsible for co-managing the strategic planning, implementation, and ongoing service of your account. Although our account team maintains traditional roles in servicing their accounts based on their position, we pride ourselves in the flexibility of any of our account team to accomplish our mutual goals.

At USI, account management professionals meet monthly with the internal Operations to discuss each account in detail, including service standards. Your USI service team works together to assist in the day-to-day issues that arise for Brazos County and its employees. Additionally, your local/regional USI National Compliance Attorney provides employee benefits Q&A support by attending one-on-one meetings, taking calls, and responding to emails to address specific client situations.

We act as the primary contact for plan-related issues between an individual employee and the carrier if resolutions cannot be obtained through the usual carrier or service provider customer service channels. Our extensive industry knowledge and vast carrier contacts simplify the process of resolving sometimes complicated issues expediently and fairly.

## Keeping You Informed

### Cutting Edge Research to Stay on Top of Industry Trends

Your dedicated service team will keep Brazos County apprised of new and emerging developments we believe will create opportunities or challenges for you with respect to your risk programs, including concerns related to the relative financial condition of the insurers with whom we and our clients do business. We will disseminate this information to you using an array of media based on your preference, including phone, email, web, white papers, and seminars. These communications will address topics such as risk management techniques, the state of the market, carrier solvency, new products, legislative and regulatory changes, emerging torts, and best practices.

## Employer/Client Communications and Training

USI team members stay abreast of changes and developments in the marketplace through regular and on-going conversation with carriers, underwriters, and other marketplace professionals; subscriptions to industry-specific periodicals and publications; continuing education courses, webinars, and seminars; and membership and participation in industry-related groups, professional societies, and trade associations.

We receive changes in pricing and underwriting guidelines directly from the carriers themselves. We augment this information with insights on claim or loss trends impacting appetite or discretionary pricing factors gleaned through the conversations we have with — and feedback we receive from — the clients we insure and renew annually.

USI is an industry leader in collecting employee benefit data, analysis of best practices, and proactive analysis of pending legislative and market changes. USI has made a tremendous investment in intellectual capital whose primary role is to predict changes, aggregate information, and repackage and disseminate that information and analysis to our clients and carriers through several sources:

- **Written analysis** – Whether written by one of USI’s ERISA attorneys or senior leadership, USI distributes regular compliance updates to its clients.
- **Client seminars** – USI conducts quarterly client seminars in local markets. Timely topics are discussed by USI leadership, and when appropriate, external business partners. Whenever possible Society for Human Resource Management (SHRM) and Continuing Education (CE) credits are awarded for attendance. Many of our events are approved for recertification credit through the HR Certification Institute (HRCI).
- **Webinars** – Regular national and locally held webinars are conducted for both internal education and client education.
- **Consultant and Account Executive** – In the regular course of a client engagement, the Consultant and/or Account Executive will continue to update the client as to the health care market, vendor and carrier innovation and legislative changes.
- **Newsletter and electronic portal subscriptions** – USI subscribes its clients to compliance resources managed by independent third parties.
- **Benefit Bootcamp** – USI Benefit Bootcamp is designed to help people who are new to the benefits space by educating them on the different elements of the employee benefits package and connecting them with their peers by leveraging the USI network. School is taught by USI clients and USI subject matter experts.

Your account service team will be proactive in contacting you regarding any new developments in the employee benefits arena.

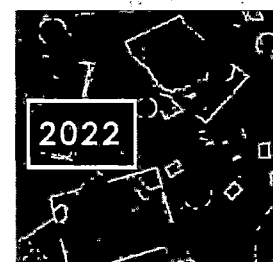
### Training and additional resources provided to Brazos County

#### Virtual events and webinars

USI hosts regularly scheduled virtual events and webinars. Brazos County’s employee benefits staff is advised of new legislation affecting the benefits industry and other educational topics related to the employee benefits environment.

There is no additional cost for these training sessions. Each virtual event usually lasts about an hour and is recorded for future playback. Registration is required to attend any virtual event.

Please visit [www.usi.com](http://www.usi.com) to download a copy of our **2022 Employee Benefits Market Outlook**.

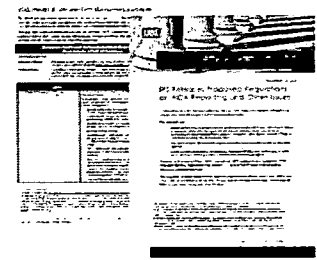


## Training and additional resources provided to Brazos County

### Compliance updates and alerts

Our in-house Employee Benefits Compliance Practice provides timely summaries of legislative, judicial, and regulatory updates at the federal, state (all 50 states), and local level of issues affecting employer-sponsored health and welfare plans.

An Employee Benefits Compliance Update is distributed monthly, and Employee Benefit Legislative Alerts are distributed as needed for late-breaking important developments.



### Client Advisories and White Papers

USI offers "Executive Insights" with articles on various topics across lines of business and lines of coverage that are timely and of interest. These articles can be found at: <https://www.usi.com/executive-insights/executive-series/>.

Client Advisories and White Papers are distributed via email directly to clients and many are published on the website including the following recent topics:

- **[How Your Health Plan May Be Affected by Rising Costs](#)**
- **[New Frontiers in Healthcare Delivery: Evolving Models of Primary Care and Disease Management](#)**
- **[How Benefits Benchmarking Can Help Attract and Retain Talent During the Great Resignation](#)**
- **[Build a Benefits Communications Strategy That Encourages Employee Engagement](#)**
- **[Resources to Help HR Meet the Changing Needs of Organizations](#)**
- **[DOL Audits Are on the Rise: Prepare With Compliance Tools and Resources](#)**
- **[How a Comprehensive Underwriting Analysis Can Lead to Better Health Plan Renewals](#)**



12/2/2021 EMPLOYEE BENEFITS

**A Look Back at the Most-Read Employee Benefits Articles of 2021**

In 2021, several trends in HR, benefits and healthcare emerged as a result of the COVID-19 pandemic. Find out what employers should expect to continue throughout 2022.

[Read More →](#)

## USI's Population Health Management

Medical trends continue to escalate, driven by higher unit costs and Population Health Management ("PHM") is one of the few things employers can do to reduce units consumed. With our USI ONE Advantage® approach to client solutions and wellness vendors being unable to report on the impact their programs have, USI has been able to identify and manage clients' future claims and connect them to proven solutions resulting in improved health of employees and cost avoidance.

USI's Population Health Management (PHM) Consultants collaborate with account teams and clients to provide the support, coaching, and mentorship that your workplace population health champions need to be successful. The USI PHM team encompasses 29 consultants and three (3) support people covering the country with more than 300 years of combined industry experience. **This Team has collectively implemented, and currently actively manages over 800 wellness programs and initiatives for our clients.**

Brazos County's Population Health Management Consultants, **Michele Parker**, works closely with clients and the USI account service team to develop a customized approach to wellness based on your unique needs, interests, commitment, engagement, and resources. She identifies the unique medical conditions within Brazos County's population that impact your health plan costs and, ultimately, your profitability. This analysis is the first step toward building a customized solution to meet Brazos County's needs.

USI's approach to wellness is not an "off-the-shelf" or "one-size-fits-all" product. Rather, our approach takes the time to know and understand the client, their wellness goals, current wellness programs in place, workforce, and company mission, and will custom build a strategy and approach that best aligns with these. We evaluate and recommend appropriate solution providers during pre- and post-program implementation and consult with these providers and insurance carriers to assist with program selection and management. It is important to have a well-thought-out plan with built-in elements that maximize participation and encourage long lasting changes.

### Data Driven Wellness

The USI Population Health Management (PHM) Team creates a multi-year CORE Population Health Strategy that will produce a positive Return on Investment through physician engagement and chronic condition management.

The USI CORE Health Strategy involves:

- Incentivizing employees to engage with their primary care physician,
- Targeting entire member population,
- Implementing targeted chronic condition management (e.g., mental health, diabetes, musculoskeletal, etc.), and
- Using data to evaluate the program's effectiveness and provide future direction.

### Data Drives Decisions (3D)

Results are quantified in detail by the proprietary USI CORE Health Report ("CHR") designed to quantify the impact of a population health management plan utilizing our USI 3D analytics and carrier reporting. In identifying the specific cost drivers and creating a summary of opportunities to improve member health, USI typically delivers a reduction in trend by 3 – 5% per year depending on the health status of a newly acquired client's benefit plan.

As part of the strategy phase, USI considers the plan demographics, utilization history, cost drivers and program costs to determine which combination of design elements represents the best solution for the client.

To design the customized program, the utilization pattern of certain conditions — especially diabetes, asthma, cardiac conditions, mental health, musculoskeletal and chronic obstructive pulmonary disease (COPD) — are evaluated to build the foundation for the disease management program since these conditions represent among the highest cost areas to the overall medical plan.

### POPULATION HEALTH MANAGEMENT: The CORE Health Report

The CORE Health Report is an analysis of client data that identifies opportunities for improving member health and establishes targets for optimal plan utilization.

- **Comparison of Actual Claims to Normative Data**
  - Identification of top conditions impacting healthcare spend
  - Analysis of plan utilization metrics
- **Future Claims**
  - Identification of opportunities to promote recommended services
    - Annual physical
    - Cancer screenings
    - Diabetes management
- **Multi-Phase Plan Design**
  - Creation of a multi-phase strategy
  - Identification of strategic vendors for program implementation



With clinical capabilities provided by USI's 3D data analytics warehouse, we can drill into the top diseases impacting an organization's losses or their industry segment. The robust predictive modeling capabilities illustrates the necessary understanding of a client's relative risk score of their population compared to the norm encompassing over 30 million lives.

The PHM Team works closely with our Medical Director, **Dr. Eric Kerstman**, and Pharmacy Strategist, **Dr. Dominic Vu**, to better understand chronic conditions and Rx utilization that may plague a specific client and potential outcome-changing solutions. When a client understands future risks, they are able to make informed decisions and impact future outcomes. We track year over year activity and results targeting those programs that improve the health of your population in the area's driving your cost.

## USI Pharmacy Consulting

A key member of Brazos County's team of resources is our in-house **Pharmacy Strategist, Dominic Vu, PharmD**. Dr. Vu works with your population health management consultants and as needed, with our in-house **Medical Director, Dr. Eric Kerstman** who assists in reviewing pharmacy claims in addition to medical claims.

The USI Pharmacy Consulting team has years of experience managing PBMs and has transitioned over 10 million lives. Their unique procurement discipline has resulted in significant cost reduction for numerous clients across the country.

## USI Pharmacy Consulting Services

Our pharmacy consultants work hard to:

- Negotiate PBM contracts focusing on reducing/eliminating spread pricing and contract variables that are not favorable to managed care organizations, plan sponsors and members
- Monitor drug spend to contract terms
- Consult on plan design and utilization programs
- Improve cost of and utilization of high-cost specialty drugs
- Continuously monitor and improve pricing
- Consult on clinical management programs
- Consult on operational delivery of service

Each contract must be competitively bid. USI does not provide PBMs with client data to reprice for bid purposes because we understand that data integrity is compromised once your data is sent to the open market without rigid controls around the way that data is managed. USI internally controls data management and repricing using a disciplined procurement methodology.

USI does have "preferred" or "in-house" PBM arrangements. Additionally, we believe that consortium or other non-competitive environments can be some of the least fiscally beneficial contracts to the client and its members. Please note that services provided by USI Pharmacy Consulting may incur an additional charge. We will always discuss such decisions and potential costs with Brazos County in advance.

## Clear Options Rx

USI is exceptionally committed to exploring innovations that improve health outcomes, reduce healthcare costs, and drive out pharmacy-related waste. Pharmacy costs differ from other expenses like premiums or plan administration in that the distributor, carrier and PBM all earn significant additional profit from claims. To reveal and combat hidden distributor, carrier and PBM profits we leverage Clear Options Rx, USI's proprietary quoting tool. The tool creates a competitive PBM marketplace with preferred contract language aimed at closing loopholes and straightforward pricing to drive plan savings.

Frequently, USI arranges very favorable carved-out PBM solutions for our clients, particularly since carving out the benefit allows USI to negotiate favorable terms such as:

- Passing of any rebates to employers
- Carved-out third-party prior authorization
- Elimination of spread pricing
- Overall increased transparency in the pricing of pharmacy products

Such transparency is often not present when pharmacy and major medical are integrated under one vendor.

## National Clinic Consulting Practice

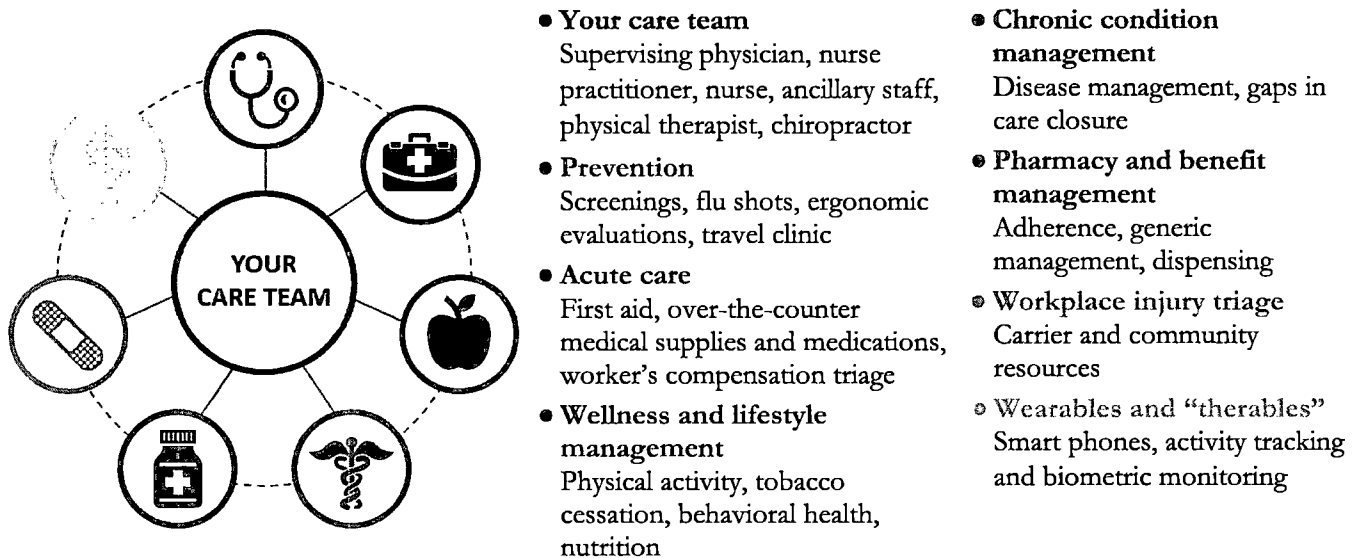
USI has an in-house National Clinic Consulting Practice with standardized deliverables that include a needs analysis for our clients that wish to install and operate an on-site clinic.

### Conducting a Client Needs Analysis

The scope of services that an onsite healthcare clinic offers may vary substantially, depending on whether an employer’s objective is cost containment, to increase the health and well-being of its workforce, increase productivity, reduce the number of on-the-job injuries and related expenses, or all of these. Clinics can deliver occupational medicine, ambulatory care, primary care, specialty care, and even onsite dispensing and physical therapy. A needs analysis is crucial to finding the right vendor partner — everything needs to be considered. This would include evaluating the physical space and equipment requirements, technology needs, and staffing. Additionally, supporting elements such as coaching, disease management, transparency, and advocacy, along with employee engagement, data analysis and incentive administration would have to be considered. To establish an employer’s objectives and priorities, as well as the initial direction and timing for an onsite clinic, it is critical to perform a comprehensive analysis of its medical and pharmacy claims, along workers’ compensation, biometrics, and any other pertinent available data.

The following diagram illustrates the comprehensive scope of services that an onsite clinic can offer; an employer may choose to implement different services over a period of time after determining the clinic’s primary objectives.

### Total Population Health Management (On-site care)



USI's Clinic Consulting Practice can also manage the RFP process, help select finalists (our process includes standardized scoring of responses), coordinate site visits and finalist meetings.

Onsite clinics can be used to drive primary care engagement, if they are deliberately used for that purpose. This means that the clinic must be staffed for that purpose, that employees/members should be incentivized to use the clinic for primary care, along with a robust communication campaign before launch. Most of our clients that implement onsite clinics with properly aligned incentives see Primary Care engagement as high as 80%.

Onsite clinics can also be used to drive compliance with cancer screenings, improve risk factors via Rx adherence and compliance with standards of care (i.e., reduction of gaps in care).

## USI HR Technology Team Services

USI recognizes our clients' needs for our experience, knowledge, and support in navigating the evolving world of benefits technology. Our HR Technology Team consists of a dedicated group of HR technology specialists with extensive experience in the industry. Because HR technology is their sole focus, they can stay on top of the industry trends, developments, and markets.

Working in tandem with HR Technology specialists, your USI account service team plays an active role in helping you select and implement the most appropriate solutions. We understand that when it comes to HR technology, there is no such thing as a "one size fits all" solution. With so many technology solutions in existence today, it is critical to conduct an evaluation to define your unique requirements and assess the ability of the market to meet, or exceed, your requirements.

USI's **HR Technology Team** has relationships with many third-party preferred solution providers allowing us to enhance and deepen our consulting services. Our in-house HR Technology Specialists regularly participate in updates with our preferred third-party vendors, allowing us to deepen our understanding of their solutions and strengthen our relationships with them. In addition, this team routinely attends industry conferences and sits on advisory boards to stay well informed of the changing marketplace. Due to our strong relationships with third-party vendors nationally, we have the resources that facilitate a more effective and successful process for our clients.

Your account service team works with Brazos County to define the current state and desired future state of your benefits administration system. We believe that this process of working with a client to identify their needs and their cost points is the most effective manner to solve your needs.

Our Services	Our Commitment to Keeping Pace with Technological Advances
<ul style="list-style-type: none"><li>▪ Determining clients' benefits technology needs, including ACA tracking, and reporting requirements</li><li>▪ Identifying technology firms that have proven track records of providing these services and who continue to enhance and expand their services and technology</li><li>▪ Developing an extensive benefits administration discovery process, including parameters for pricing services, client security, disaster recovery, reporting capabilities, employee engagement, and communication materials</li></ul>	<ul style="list-style-type: none"><li>▪ Attendance at industry conferences</li><li>▪ Participation in solution provider advisory groups</li><li>▪ Regular engagement with industry thought leadership</li><li>▪ Onsite solution provider visits</li><li>▪ Market research on current and emerging technologies</li><li>▪ Engagement with clients of all sizes nationally</li></ul>

## Identifying Enrollment Solutions

There are many vendors that provide select services, while others offer fully integrated/comprehensive platform solutions (COBRA, FSA, billing, enrollment, etc.). We help you evaluate the vendors to determine which best fulfills your requirements for online initial and annual enrollment, electronic eligible feeds, and other related administrative services.

USI's HR Technology Team vets HR technology vendors in the marketplace and matches Brazos County — based upon your budgets and needs — with the appropriate platform/provider. Our National HR Technology Team also negotiates special pricing and terms on your behalf to ensure maximum value.

We have many national preferred partnerships with benefits administration vendors, including: Paylocity, ADP, Vantage HCM, benefitexpress, BenefitsCONNECT, Benefitfocus, bswift, Employee Navigator, and PlanSource. Through these partnerships, and others, our clients enjoy enhanced services and/or special pricing not available to other customers.

**Our unbiased approach has proven to be invaluable to our clients – allowing us to be impartial in our search for the most appropriate and innovative solution on the market.** We advocate for Brazos County's best interest. Our objective in recommending benefits administration technology is to provide efficiencies, empower employees, improve productivity, increase compliance, reduce risk, and improve communication to your valued employees.



For more information we invite you to watch our video – **Technology Driven HR Solutions** – located [here](https://usi.wistia.com/medias/6dzvw5in78) (<https://usi.wistia.com/medias/6dzvw5in78>).

In addition, numerous carriers offer Technology Credits in the form of premium and/or other discounts when clients implement certain benefits administration vendor platforms/solutions.

## USI Technology Credit Program

Understanding it may also be difficult for companies to justify the expense of new technology despite the inherent savings gained from greater efficiency and to address those cost concerns, USI manages the **Technology Credit Program**, which can save clients between \$0.20 to \$2.50 per employee per month towards the cost of their benefits administration platform.

- **Program Component 1 - USI Negotiated Discounts:** Best-in-class technology vendors provide exclusive discounts from their standard pricing models for USI clients.
- **Program Component 2 - Carrier Credits:** National voluntary benefits carriers gain efficiencies working with specific technology vendors and will offset costs for USI clients.

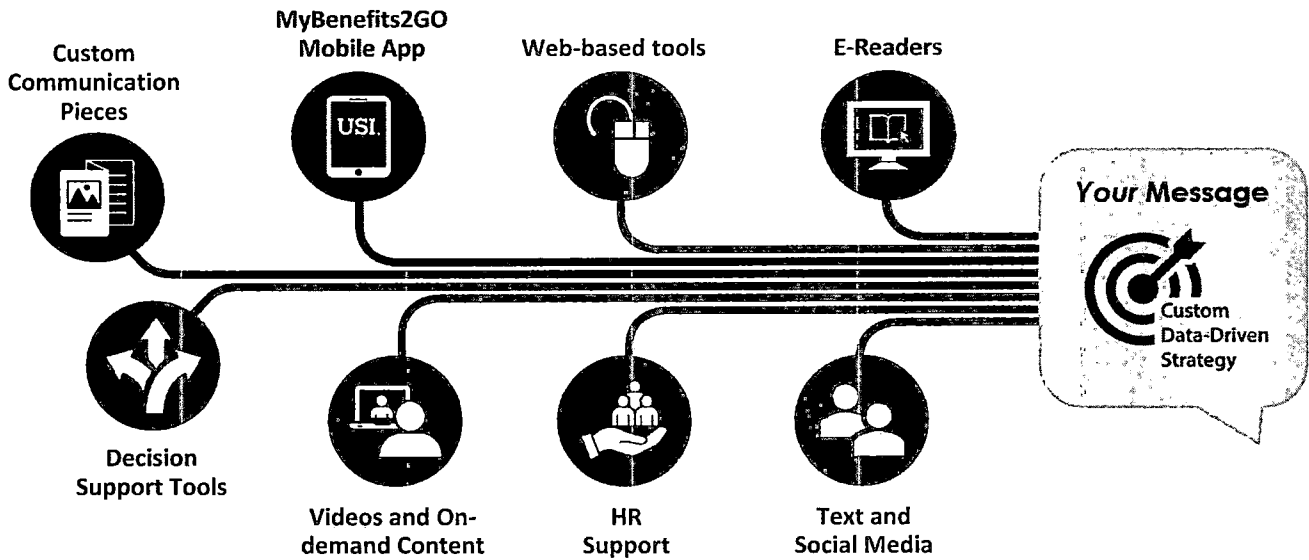
## EMPLOYEE SERVICES

### USI Communications Services

Your USI team will take the time to understand Brazos County's culture and goals. We can create a customized communications strategy to increase employee awareness and understanding as well as build employee engagement.

USI will work closely with your team to personalize materials for your employee population. We are prepared and equipped to communicate with your employees using various media, ranging from paper to electronic, from web conferencing to face-to-face employee group meetings, or a video library.

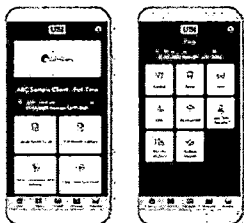
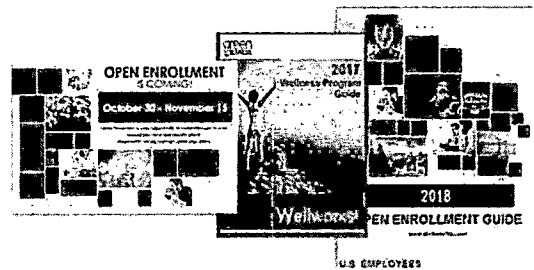
In addition to building a communication strategy that is most suited for your company, USI has the technology tools and resources to effectively reach your diverse population. USI goes beyond employee benefit guides and integrates technology to ensure that we send the right message, at the right time through the most effective medium.



Following are samples of educational material and communication resources

#### Custom Print Communications

Brazos County will receive a variety of print and electronic communications, branded to your corporate specifications and written in easy-to-understand benefits language. **Available communication materials include enrollment guides, posters, email campaigns, and newsletter materials.** Certain services (such as printing of enrollment materials or postage) may be passed to our clients at-cost.



#### Employee Benefits Mobile App

The **MyBenefits2GO App** is **included** in our proposal and provides employees and dependents with on-demand access to benefit information including open enrollment materials, educational videos, and contact information.

Learn more by clicking [HERE](#) for a demonstration video on the MyBenefits2GO app.

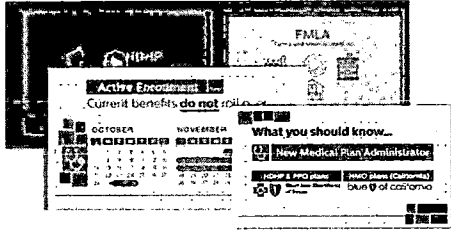
#### Benefit Questions & Claims Resolution

##### Benefits Resource Center (BRC)

USI employees provide individualized support for employees through our Benefits Resource Center (BRC). Our Benefits Resource Team is HIPAA compliant and able to assist with benefit plans/policy questions, assist with eligibility and claims problems with carriers, and provide claim appeals information and process. **We also include the BRC in our core services.**



Learn more by clicking [HERE](#) for a video overview of the BRC.



### Video Education

**Brainshark Videos:** USI records benefit presentations specifically tailored to your business to reach your employees, wherever they are. **Standard Brainshark presentations are included in our core fee as a value-add service.**

**Flimp Videos:** USI offers clients **access to a free library** of educational benefits- and HR-related short, engaging videos available in English and Spanish. Flimp can create custom videos upon request, for a small fee.

## Open Enrollment Process

The following list includes the services USI can provide Brazos County to support annual and ongoing enrollment needs:

- Establish new plan year benefit offerings and costs
- Work with human resources to establish open enrollment strategy
- Advise new carrier(s) of the plans and rates selected, and advise the current carrier(s) of the termination date
  - Coordinate with carriers to provide benefit plan enrollment materials and carrier representatives where needed
  - Facilitate carrier administrative training meetings with Human Resources staff
- Conduct educational meetings
  - Meetings will focus on communicating plan value and creating responsible healthcare consumers. USI will work in concert with Brazos County’s HR team to assist in whatever capacity is desired.
    - One-on-one enrollment meetings
    - Small group meetings – covering multiple work schedules – with employee-specific enrollment “packets”
    - Larger group meetings
    - Meetings to introduce and walk through any new open enrollment technology platform
- Develop customized benefit packets including benefit summaries, employee enrollment guides, confirmation forms, and other information concerning Brazos County’s overall benefits package
- Evaluation of online information and enrollment portals

After the effective date, we meet with Brazos County’s HR team, along with the new carrier, to review all administrative processes. We review all new SPDs for accuracy before submitting to you for distribution to your employees. Once open enrollment is closed, your account team corresponds with each carrier to help ensure that all changes are processed, and identification cards generated in a timely fashion. We also verify that billed rates accurately match sold renewal rates. In addition, we provide a cost/migration analysis if any significant enrollment shift occurred.

## Benefit Resource Center (BRC)

USI’s Benefit Resource Center (BRC) was developed as a single point of contact for benefit questions and claim issues. Outsourcing benefit questions and claim issues helps streamline your benefit administration and cut costs, while providing your employees and families with better benefit-related support services. The BRC provides HIPAA compliant support for employee benefit plan interactions. BRC is a professionally staffed benefit resolution resource for claims, billing, and eligibility issues.

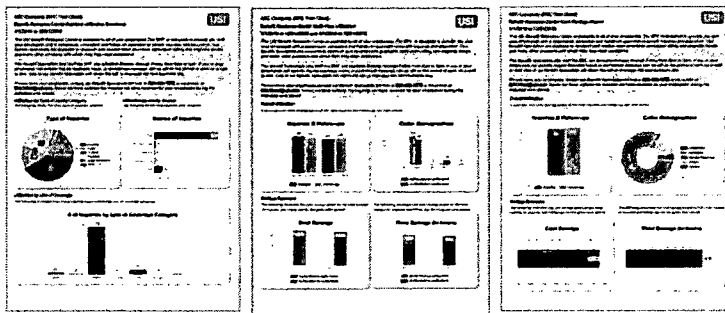
The Benefit Resource Center is staffed by USI employees. All inquiries are documented in a call tracking system. Utilization reports are generated quarterly to provide insight on critical communication improvement opportunities. When employees call or email the BRC, their issue is assigned to a designated BRC member through resolution.

The BRC relieves HR staff from time spent on administration to focus on strategic HR functions and provides increased employee satisfaction and awareness of benefits plans. Additionally, your assigned Account Manager can assist with any issues. The BRC operations Monday-Friday between 8 a.m. – 5 p.m.

### HR SERVICES: Benefit Resource Center

USI's Benefit Resource Center (BRC) provides individualized support for employee benefit plan interactions.

- USI employees provide resolution for elevated claims, billing, and eligibility issues
  - Answer benefit plan/policy questions
  - Assist with eligibility and claim problems with carriers
  - Provide claim appeals information and process
  - Explain allowable family status election changes
- HIPAA Compliant
- All inquiries are documented in a call tracking system
- Utilization reports generated quarterly



#### Impact and Benefits

- Reduce your cost of employee benefits administration. Average saving of **\$2.00 per month** per employee
- Relieve HR staff from time spent on administration to focus on strategic HR functions
- Increased employee satisfaction and awareness of benefits plans
- Quarterly reports provide insight on critical communication improvement opportunities

### Reduced Administrative Time & Increased Employee Satisfaction

This service can maximize Brazos County's health benefits investment, providing cost-effective outsourcing support for your employee benefits staff. Your employees get a compassionate benefit advocate and confidential troubleshooter for health plan issues. Productivity is enhanced, as employees spend less time navigating the healthcare maze.

## HEALTH PLAN COST CONTROL

### USI Underwriting & Analytics – Resources and Services

**Ali Tariq**, located in Houston, is a key members of Brazos County's account team and networked with our national team of underwriters and analysts. In addition, **Adeniyi Olaiya, ASA, MAAA** at USI Consulting Group (USICG) can provide actuarial support as needed for self-funded medical plan clients.

The **USI Underwriting & Analytics Team** for the employee benefits practice is made up of over 170 associates in ten geographic regions brings a wealth of industry background to the discipline to include experience with carrier underwriting and consulting practices with individuals having up to 30 years of experience within their respective subject matters.

USI analysts protect your commitment to your employees through detailed scrutiny of products and premiums. We examine underwriting practices for fairness and appropriateness of rates and educate you about the advantages and risks connected to each method of benefit financing. Periodic market surveys will ensure your plans remain competitive, ongoing evaluations of insurance companies' financial rating will give you the confidence that fiscally strong providers back your coverage.

The Underwriting and Analytics Team provides services including, but not limited to:

- Renewal projections and funding analysis
- Claims cost and risk assessment
- Trend mitigation
- Contract review
- Plan design and contribution analysis
- Benchmarking and market review
- Predictive modeling
- Ancillary analysis
- International exposure analysis
- Disruption assessment
- Reporting
- Long-term strategic planning
- Strategic planning for active and retiree medical plan design and contributions
- Financial impact of health care exchange strategies including defined contribution
- Model architecture on tools for underwriting, healthcare reform, employee contributions, and stop-loss
- Reserving (IBNR, long-term disability, life insurance, etc.)

The underwriting process involves collection of client specific historical data (when available) to include a minimum of 24 months of claims experience, enrollment data, benefit history, individual large claim history, diagnosis and procedure records, and fixed expenses to incorporate into a projection algorithm.

The underwriter will observe client specific cost trends and compare national/regional trends for inclusion into our forecasting models. When group size dictates, the underwriter will incorporate cost benchmarking data to include within the model. Benchmarking can include geography, industry, and group size differentiation.

### Utilization Reporting

We will review and analyze claims and utilization reports provided by each carrier and provide quarterly summary reports, as well as annual detailed reports. With each, we will provide our observations and identify any emerging trends so that we can develop our strategy on possible solutions to address those issues. For more in-depth data mining: for prescription drug claims we have a proprietary program through USI Pharmacy Consulting and for medical claims we utilize USI 3D Analytics.

Our process also allows us to identify the most effective funding mechanism, opportunity to mitigate risk, and pursue the most affordable coverages in the market. Our models are easy to use, and we share the tools with our clients to gain a better understanding of the alternatives that exist along with the methodology. Our reports and processes are 100% transparent.

### Cost Projection

Your account team develops cost projection on a regular basis. This report is the cornerstone to our ability to provide timely re-projections, modeling, and upcoming benefit plan strategy projections. These financial models are recognized as the appropriate tools within the group insurance industry. We use standard underwriting and actuarial processes and employ some of the industry's most experienced professionals. We also leverage technology to deliver more flexibility and timeliness to our process where it is available. Our team is well-versed in the capabilities of each of the potential vendors, giving us an advantage of identifying resources needed within each company.

Your USI account service team has access to a wide variety of forecasting tools, calculators, and reports that can help analyze plan performance and assist in strategic planning and the decision-making process.

### Healthcare Trend Information

Our underwriters review the appropriateness of the factors carriers use to calculate renewals and compare other factors used in the renewal calculation to our database of underwriting guidelines and tools (trend, credibility, plan design decrement pricing, etc.) to assist in the negotiation process. The high level of underwriting activity, in which our dedicated underwriters are involved, makes us keenly aware of industry trends at a national, regional, and local level which, in turn, results in financial savings for our clients.

The USI Underwriting Advisory Group (UAG) consists of members who work together to develop financial analytics best practices and build tools to benefit clients and USI team members alike.

## USI Financial Reporting for Measuring Plan Performance – Self-Funded

We realize that cost is a key factor in developing any strategic benefits plan and that solid financial management is of critical importance to Brazos County. Financial management and analysis of claim and utilization data is a valuable cost control service that we offer. Our goal is to monitor and interpret key financial data to guide you in budget planning, renewal negotiation, and plan design.

Our offering includes both actuarial and underwriting services to monitor the financial performance of Brazos County’s plans and conduct annual reviews on your behalf. It is customary for your account team to conduct their own underwriting analysis and, when appropriate, to use that in negotiations with the carrier. Our standard procedure is to determine our own pricing and communicate in advance of receiving any renewal from your service providers. We survey all national service providers by product to determine external or industry trends. We base our projection on both internal and external trend data and use that information to successfully negotiate the best deal for our customers.

### Financial Analysis

We continuously evaluate your current employee benefits programs to help determine where cost savings could be realized. Our solutions, coupled with care management programs, have been proven to result in improved employee productivity, improved health status, and reduced utilization costs for specific disease states. We take a strategic approach to monitoring healthcare and program costs.

Your account team has vast experience with claims and financial analysis, including in-depth underwriting experience. We review claims and utilization reports provided by each carrier and provide quarterly summary reports, as well as annual detailed reports. These reports provide insights into controlling costs and identify emerging trends to help us develop a comprehensive cost-saving solution.

In addition to the typical claims reports and analysis, your account team has access to a wide variety of tools, calculators, and reports that can help analyze plan performance and assist in strategic planning and the decision-making process. Some of these tools include Reserve Calculator, Claims Utilization Benchmarks, Plan and Prescription Plan Change Pricing Calculators, and ASO Claim Projections.

Following is our standard reporting package and frequency for self-funded plans. We recognize that not all clients are the same nor do they require the same information. We work with you to provide the reporting that will be most useful in evaluating your plans.

Self-Funded Report Type	Frequency
Profit and loss report including comparison to budget	Quarterly
Aggregate Report	Quarterly
Large claims monitoring/Analysis	Quarterly
Financial monitoring report	Quarterly
Plan utilization analysis	Semi-Annual or Annual
Claims and fixed cost projection	Annual
Benchmarking (plan design, total cost, and contributions)	Annual
Funding alternatives and plan design analysis (self- insurance, minimum premium, fully insured, HRA, HSA, etc.)	Annual
Renewal reports	Annual
Disease management review	Annual
Network utilization analysis	Annual

Self-Funded Report Type	Frequency
Prescription drug analysis	Annual
Wellness initiative results	Annual
Contribution analysis and options	Annual
IBNR (incurred but not reported) projections	Annual
Preparation of annual budget reports	Annual

### Ad Hoc Reporting

Our standard reporting package includes — at a minimum — comprehensive experience reports delivered on a quarterly basis, but the frequency and content of reports can be tailored to meet Brazos County’s specific requirements, including any ad hoc or “one-off” queries. **There is no additional cost associated with reporting customization or the creation of ad hoc reports.**

Certain carriers also offer data access and reporting capabilities to clients through online portals.

### In-House Underwriting

At USI, we internally underwrite every renewal and quarterly loss development using our team of in-house Underwriters and Analysts. We evaluate the vendors proposed price based on data and the knowledge of where all the profit is buried — profit sometimes obscured within your administration or within claims charges, where rebates or capitation charges might artificially inflate your loss costs.

We consider plan design, contractual review, and financial analysis essential to effectively meeting benefit plan objectives. We take a universal approach to underwriting and analytics, which incorporates data beyond the traditional claims information, such as corporate culture and objectives, utilization metrics, and industry norms. This broad perspective provides meaningful solutions that allow our clients to effectively make confident decisions regarding their benefit programs.

#### *Specific Areas of Analysis Include:*

- **Audit of Current Plans (Performance and Contractual Features)** – We review the performance and contractual features of the current programs against the stated objectives. We identify areas where the plan may not be performing at the intended level and make recommendations for consideration.
- **Claims Risk Analysis** – Our analytics team utilizes proprietary claims analysis tools that allow us to determine current claims risk within the population and utilization patterns that may need plan design attention. USI and our clients understand how every claim dollar is spent and we can model the potential outcome of proposed plan design changes.
- **Renewal Projections** – Well in advance of the renewal activities, our analytics team will develop projections for the upcoming renewal. Key components of the process include administrative expenses and stop-loss insurance, if not carved out. At USI, we believe that the receipt of the renewal should not be a surprise outcome. Our process means that you are fully educated on the performance of the plan at all times and the renewal process begins before the actual renewal is received.
- **Market Review/Carrier Negotiations** – Our analytics team is proficient at leveraging the marketplace to ensure the costs of your benefit programs are appropriate. They focus not only on rate negotiation, but also negotiate contractual features, caps on administrative fees, multiple-year guarantees, and special underwriting and administrative concessions. Renewal offers are carefully audited to ensure the renewal is appropriate in light of actual experience, market trends, and underwriting norms.
- **Contribution Analysis** – As part of our analytical approach, we regularly review and provide options for employee and employer contributions. We consider this aspect a key component of overall plan design.

- **Fully-Insured Equivalent Rate Development** – For our self-funded clients, USI develops fully insured equivalent rates for funding and contribution purposes. Based on the client’s funding requirements and risk tolerance, these can be established at maximum liability, expected liability, or somewhere in between expected and maximum liability.
- **Network Analysis** – Periodic review of your network utilization and discounts allows further insight into areas of improvement within a plan. It is important to understand network utilization and address issues of access or plan design impediments. We regularly evaluate the network utilization patterns and make recommendations for potential changes.
- **Demographic Analysis** – Where appropriate, our Analytics Team reviews the changing demographics within a client’s population. The insight provided helps with understanding current as well as future risks and provides insight into possible future risks and considerations within the population of the plan.
- **Regular Financial Reporting** – One of our goals at USI is to eliminate surprises to our clients, especially financial surprises. We manage this process through a detailed analysis of all claim activity with monthly financial monitoring reporting that compares plan costs to budget.
- **Review of Program Administration and Communications** – From your questions, it seems clear that the administration and communications of the benefit programs is a major challenge. Communications need to address multiple locations and stakeholders.

Our actuaries are experienced, degreed professionals with technical knowledge of administration and the valuation process, as well as computer science. We have developed our own unique system to ensure clients’ needs are met on a timely and cost-efficient basis. Our capabilities allow us to be responsive to unique plan designs and ongoing regulatory changes.

Vital to proper administration of defined benefit plans is financial management, which is provided through actuarial forecasting — a determination of what the future costs of the plan might be — so that performance can be measured in terms of specific goals and timely adjustments can be made accordingly. Our actuarial staff provides these analyses, and other studies, ranging from basic to complex.

All actuarial services are not the same. Actuaries often use standard methods and assumptions, or have difficulty customizing and communicating their approach to suit the needs, goals, constraints, and special circumstances of their clients. Our approach is different. We take a closer look at data, run alternative scenarios, and provide creative and flexible solutions. Our objective is to arrive at more meaningful and understandable results for our clients.

For actuarial services, we utilize USI Consulting Group, a full-service benefit consulting firm. Their areas of expertise include:

- Defined benefit actuarial services
- Actuarial valuations
- U.S. GAAP under ASC 715 (formerly FAS 87/88/132)
- Merger and Acquisition studies
- Actuarial modeling and studies
- Discrimination tests/compliance
- Benefit calculations
- Retiree benefit outsourcing

## USI's Exclusive Benchmarking Tools

USI will benchmark your plan provisions, employer cost and participant contributions with other comparable organizations based on the industry and geography against which you would like to be compared. We have multiple methods of performing this comparison: 1) we evaluate your program compared to our other clients in the same industry; 2) we provide customized benchmarking reports comparing you to other organizations of similar size, industry, and geographic location, to evaluate Brazos County's plans as compared to other organizations. Through our internal agency management system, we will be able to compare your benefits, contributions, and cost to the USI Block of Business by region, industry, or size of employer. Using the above benchmark data and detailed claims and utilization data, USI will consult with Brazos County on alternative benefit strategies. Alternatives for consideration may include areas such as plan design changes, consumer driven plans, pharmacy plan/vendor changes, changes in health plans or other vendors, and addition of specialty vendors (disease management, wellness, carve-out pharmacy, etc.) USI's recommendations will be tailored to your specific objectives and will be based on sound actuarial price projections, our knowledge of "best practices" and "best-in-class" vendors in the marketplace.

## USI Benefits Benchmarking Study (BBS)

The USI Benefits Benchmarking Study (BBS) is a national study of employee benefits plans. **More than 8,000 employers participated in the 2021 benchmarking study, making it the largest middle-market benchmarking study available.** The study spanned across all market segments and industry classifications and provided respondents with a complimentary assessment. Targeted to employers with 100+ employees, it assists employers who are interested in exploring industry trends to ensure they are offering a competitive benefits plan.

We derive our knowledge of current trends from a variety of resources, including:

- USI proprietary, in-house benchmarking tool
- USI account management system reports
- National survey data
- Decision Master Warehouse
- USI 3D (see following section for more information)
- Industry publications/resources/associations
- Carrier resources

As mentioned above, our agency management system is one of the sources we leverage when helping clients benchmark their plans. This system records and tracks a wide range of data regarding our clients' benefit programs including rates, plan designs, and funding mechanisms, as well as other pertinent eligibility details. We can segment and parse this data by industry (or other parameters), as needed. In instances in which we have a significant local/regional/national client base in a certain industry, we can generate internal reports which summarize the statistics, demographics, and plan details. These reports are de-identified (removing client names) and then can be shared with Brazos County.

Included with other national benchmarking statistics from USI 3D, we provide clients with additional data about their health and benefit plans. This comparison is typically focused on the following elements:

- Plans available in the market
- Prevalence of those plans (movement)
- Plan provisions
- Total cost of plans
- Employer share of the cost
- Employee share of the cost
- Trends (typical and leading edge)
- Cost escalating
- Trends in plan design and cost mitigation

## USI 3D Benchmarking

USI 3D (Data Drives Decisions) allows our analytics team to benchmark your benefit plan design, utilization, and contribution levels against similar companies in terms of size, industry, and geography. Robust analytics reveal potential cost saving opportunities and management level reports deliver a clear understanding of your plan's performance. USI uses our own proprietary analytics to drill down on cost drivers and utilization statistics using data delivered from direct feeds with insurance carriers. USI 3D also provides data from the largest claim payers in the country allowing our analytics team to monitor industry trend. We track key performance indicators across a range of metrics and compare results to industry peers and a normative database of more than 30 million lives.

- **Benchmarking** – USI 3D includes non-identifiable data on approximately 46 million lives
- **Data warehousing** – Historical claims that include the past 36 months of claims and wellness data
- **Financial reporting** – The reports include IBNR, trend analysis, month by month loss reporting, distribution of claims, discount reporting, and demographic analysis
- **Utilization reporting** – Help to measure access of care by analyzing what providers/networks are being utilized, which settings of care (i.e., ER vs. office visits), and specific diagnostic procedures (i.e., MRI, dialysis)
- **Benefit modeling** – Ability to value plan designs by reviewing the group specific historical claim activity
- **Clinical reporting** – Focusing on disease prevalence and benchmarking, Gaps in Care (CGI), Relative Risk Scores (RRS), predictive modeling and population health (age-appropriate screenings)
- **Pharmacy reporting** – Measures financial trends, therapeutic classes, generic vs. brand, conversion opportunity, and unit pricing

USI 3D is linked to the USI ONE Advantage® OMNI which allows us to identify areas for improvement and connect them to proven solutions we can tailor to meet the unique needs of Brazos County. Through our USI 3D database, we have an at-risk identification tool which is part of our predictive modeling. With this reporting, we help clients find and highlight trends that indicate potential at-risk populations. We receive monthly updates and full claim file updates from all the major players and have access to vast clinical information that we use to understand the impact of various health management programs. Additionally, we locate gaps in care for current at-risk populations. This tool aids us in pinpointing the exact target points we need to address as part of the Population Health Management strategy.

USI believes in the value of the data. The aggregated and de-identified information collected in 3D, in addition to our proprietary internal benchmarking tools, allows us to provide unique and robust insight to organizations such as Brazos County. From plan design, to plan structure, to overall cost, employer/employee contributions, to claims utilization, the size of our middle market book of business gives us a unique opportunity to provide specific insight to our clients on where they stack up in their local, regional, and national marketplaces. This is a part of our standard renewal service and can be provided upon request throughout the year.

Stop loss insurance is critical for managing risk on your self-funded employee health plan. It helps guard against unforeseen, sometimes catastrophic employee claims that could wipe out your medical reserves and adversely affect your company's profits.

## USI Stop Loss Consortium

USI Stop Loss Consortium facilitates marketing, consulting, stop loss training, contract review, and oversight of stop loss carriers including the stop loss confidentiality agreements. Working in partnership with our stop loss practice helps ensure the weight of the entire USI relationship is at play in the underwriting negotiation and placement processes. We continually evaluate new market trends for innovative solutions to our clients' risk needs, monitors carrier performance, and can help find coverage for transitional and "hard to place" cases. With our team's experience in self-funding, we have what it takes to design coverage to satisfy <<clientShort>>'s risk tolerance, maximize cost containment, and help protect against potential gaps in coverage.

## UNDERWRITING & ANALYTICS: USI Stop Loss Consortium

USI leverages market size and underwriting expertise to negotiate best in class reinsurance contracts for USI clients.

- The USI Stop Loss Consortium includes the industry's largest reinsurance carriers
- The USI Stop Loss Consortium features:
  - No new lasers at renewal with specific rate caps ranging from 40% to 55%
  - Provisions to ensure that stop loss coverage is aligned with benefits plan
  - Dividend eligible contracts and early rate locks
  - AM Best "A" rated carriers only

USI Stop Loss Consortium		CARRIER 1	CARRIER 2	CARRIER 3	CARRIER 4	CARRIER 5
Carrier Type	Direct	Direct	Direct	Direct	Direct	Direct
AM Best Rating	A (Superior)	A (Excellent)	A (Excellent)	A (Superior)	A (Superior)	A (Superior)
Top 25 Carrier	Yes	Yes	Yes	Yes	Yes	Yes
Max. # of EOs for a client	500	100	50	50	50	50
No new lasers (NLA) at renewal	Not applicable (the carrier requires a minimum 20% rate increase for NLA)	Yes	Yes	Yes	Yes	Yes
Rate Cap	50%	20% for 1st year, underwriting distribution to other 4 subsequent years	7.5% for a 2% premium increase, +12% for a 5% premium increase, +22% for a 7% premium increase	40%	40%	30% rate cap for a 2% premium increase
Renewed rate cap from 2020 reports	Considered on a case-by-case basis		4% for 20%			Can be affected on a case-by-case basis

### Impact and Benefits

- Save up to **15%** of fixed insurance cost, or an estimated **1-3%** of total program cost
- Eliminate exposures to costly lasers typically greater than \$100,000
- Best in class contractual provisions
- Ability to shop reinsurance market without member disruption

### Best in Class Stop Loss Coverage and Contract Terms

In addition, our Underwriting & Analytics team evaluates each employer's specific aggregate and specific stop loss needs to ensure any coverage placed is not over-insured or under-insured with respect to the risk tolerance and claims history of an employer.

USI's "proprietary" tool benchmarks client's stop loss coverage to determine appropriate risk level:

- Identify the appropriate range of specific stop loss deductible options based on the client's specific demographics
- Estimate the Stop Loss Premiums PEPM
- Present range of options to client and allow them to select the specific stop loss deductible that best suits their business needs

## COMPLIANCE

### USI Benefit Compliance Services

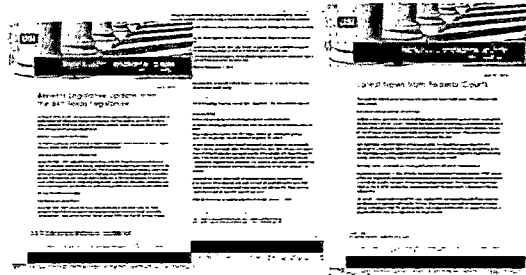
USI's National Compliance team is comprised of nineteen (19) employee benefits attorneys and three (3) compliance specialists located in regional USI offices. Unique to USI, our service model includes compliance attorneys embedded in local client service teams who know our clients and the challenging issues you face. The USI ONE Advantage<sup>®</sup> supports nationally networked attorneys providing comprehensive compliance solutions to our clients.

**Wendy Carmichael** is the locally placed, nationally networked ERISA Counsel that will provide support for Brazos County and your account team.

## USI National Compliance Team – Research and Resources

With the volume and complexity of employee benefit regulations on the rise, we recognize your need to understand what is truly relevant and to minimize your risks. Our communications cover:

- **Federal updates** such as changes in the tax code that could apply to your organization directly or to related stakeholders such as insurers who may shift their costs to you.
- **State updates** such as new state paid leave laws.



USI's National Compliance Team does not rely on secondary sources. Our benefits attorneys read all relevant laws and guidance and confer with each other to create materials to educate our staff and our clients.

USI has developed communication mediums that allow us to quickly disseminate information regarding impending deadlines, changing legislation, and employer obligations, along with guidance about how to remain in compliance. These compliance resources are outlined in the following table.

### Compliance Resources – Included in Our Service Offering

#### **Workshops, Seminars, and Webinars**

USI's National Compliance Team provides informative webinars and seminars regarding legislative developments and interprets impacts to employers which:

- Focus on the most pressing issues of the day
- Identify key takeaways and next steps
- Include question and answer sessions with our compliance experts to provide clear understanding of the issues

Each event usually lasts about an hour and is recorded for future playback.

#### **Impact and Benefits:**

- Substantially reduces your HR team's time investigating complex issues
- Delivers timely, relevant, and accessible material, prepared by our in-house attorney team
- Provides comprehensive and practical analysis
- Provides recommended specific action items for employers and employees

#### **Legislative and Regulatory Updates**

USI's National Compliance Team provides comprehensive and practical analysis of federal and state legislative developments

#### **Comprehensive Employer Guides and Toolkits**

USI provides in-depth analysis and guidance to help Brazos County navigate through complex rules, regulations, and plan strategy decisions USI's National Compliance Team provides Brazos County:

- A detailed roadmap to the multitude of requirements affecting your health and welfare plans
- Tactical advice regarding implementation and consequence management

## Healthcare Reform (ACA)

Although our attorneys do not provide counsel to our clients, they provide much-needed support, answering specific questions such as those surrounding the value of grandfathered status under the Affordable Care Act (ACA), the interaction between Medicare and group health plans, whether specific situations constitute changes in status under cafeteria plan rules, whether certain contribution strategies are discriminatory, and what can be used and disclosed under HIPAA Privacy and Security Rules. USI uses various tools to determine a client's compliance with the ACA. USI addresses any gaps in a client's current program regarding Employer Penalty exposure.

Our macro-analysis addresses financial impact to the employer and employee, including considering tax consequences and whether the employer maintains coverage, drops coverage, or drops coverage and provides compensation to employees to offset the loss of benefits. The analysis also includes any PCORI and Health Insurer fees applicable to your program.

With the 2010 passage of the ACA and the uncertainty of what the future will bring, we realized that our clients would be looking to us for assistance as various mandates and requirements took effect, and we immediately committed ourselves to getting — and remaining — up to speed on all the nuances and potential outcomes of Healthcare Reform, including any that may result from changes in administration.

The USI National Compliance Team provides insights and updates on legislation, compliance, and Healthcare Reform. As legislation is proposed, we consolidate the information for our clients in a series of compliance bulletins. We follow up all major legislative changes with hosted webinars and seminars. Additionally, we are available to attend individual meetings with clients on areas that we have mutually identified as impacting your plan. We regularly prepare and offer presentations to Human Resource teams to help explain legislation and regulatory risks.

USI helps Brazos County understand the risks, navigate the changes, and explore potential opportunities in the ACA. Employers must understand not only the formal elements of reform but anticipate the unintended consequences and potential market shifts in the delivery of healthcare as providers and payers seek to reinvent themselves in a new system governed by changes in regulation and reimbursement.

In a time where reform is increasing costs for clients, USI understands these regulatory changes and can leverage underwriting practices to improve pricing and increase control over healthcare consumption.

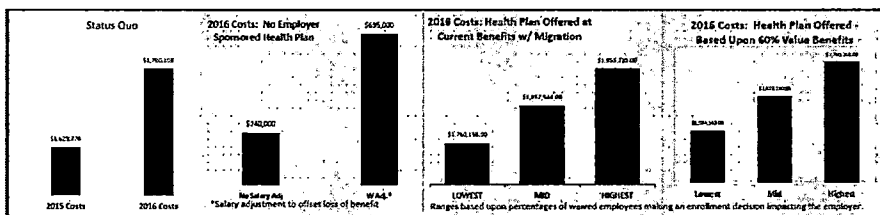
### COMPLIANCE/HEALTHCARE REFORM: Healthcare Reform Impact Analysis

The USI Analytics and Compliance team evaluates and quantifies the financial and procedural impact of the Affordable Care Act.

- Identify exposure to penalties, cost impact of increasing number of insureds, reduced employee contributions, and additional taxes and fees
- Project financial impact of employer strategic options, including tax implications
- Identify opportunities to mitigate ACA financial impact

#### Impact and Benefits

- Prospectively quantify impact of the ACA for informed decision making regarding "pay or play," plan design, and contribution models
- Support HR staff from time spent on technical ACA analysis to focus on strategic HR functions
- Assist employers through analytical projections to a strategic plan regarding ACA



### Complex and In-Depth Analysis for ACA Scenario Planning

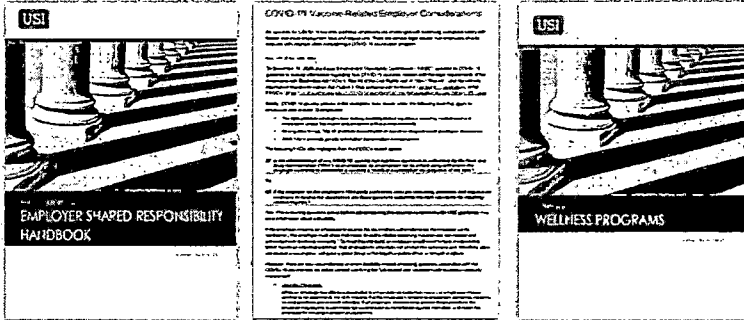
We assist Brazos County with developing short-term and long-term objectives that are aligned with the timeline for implementation of the ACA and take into account changes in an employer’s business and budgetary needs. Our ACA support services which take place during your plan year include:

- Identifying your full-time employee population (implementation of measurement periods, when required)
- Assessing the affordability of your group health plans
- Determining the value of your plan (minimum value plan determination)
- Complying with other market reform changes including new benefit mandates and the payment of ACA fees and taxes
- Providing resources to assist you in understanding your obligations under the 1094-C and 1095-C reporting requirements

## COMPLIANCE/HEALTHCARE REFORM – Comprehensive Employer Guides and Toolkits

In-depth analysis and guidance to help employers navigate through complex rules, regulations, and plan strategy decisions.

- USI's national employee benefits compliance team provides employers with a detailed road map to navigate the multitude of requirements affecting health and welfare plans
- Tactical advice regarding implementation and consequence management is provided



### Impact and Benefits

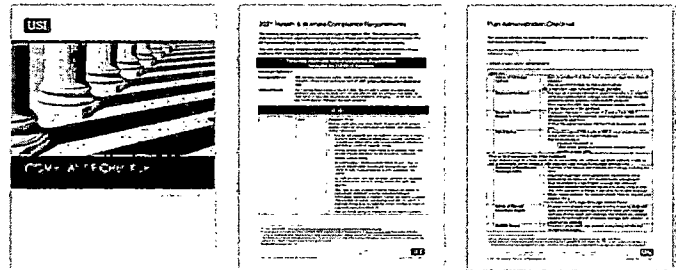
- Substantially reduce HR team's time investigating complex issues
- Timely, relevant, and accessible material interpreted and written by our in-house attorney team
- Provide comprehensive and practical analysis
- Recommend specific action items for employers and employees

### Comprehensive Guides for Complex Issues

The services outlined above are **included in our core consulting fee** for Brazos County.

## USI Compliance Checklist Review

Your USI Account Manager identifies exposures and offers remedies to support Brazos County's compliance with state and federal and benefit laws. Our account managers work with our National Compliance team to identify key areas for compliance review and review procedures. The team discusses the issues identified through the review and collaborates on proposed action items to address issues and mitigate potential risks for Brazos County.



### Impact and Benefits

- Identify exposures to penalties under various benefit-related laws including ERISA, ACA, and HIPAA
- Provide strategies and procedures to mitigate existing exposures and eliminate future exposures
- Review process is included in our standard service offering

## Third-Party Solutions

USI has preferred third-party solutions who provide the creation of cafeteria plans, HIPAA Privacy and Security-related documents, wrap summary plan descriptions, and wrap plan documents at an affordable cost to USI clients.

## Form 5500s\*

USI assists with the collection of Schedules A and provides general information addressing the Form 5500 filing requirement; however, USI has a preferred relationship with Wrangle, LLC to effectively handle all Form 5500 requirements for our clients.

Wrangle offers a full staff of employee benefit experts who have over 55 years of combined experience and industry knowledge. They have been in production roles, client consultant roles, and management roles (both at the local office level and regional level). Wrangle has performed more than 40,000 Health and Welfare Form 5500s (Form 5500s) at all levels of complexity and for clients located in every state. Form 5500 preparation is the only service that they provide and is their focus.

Form 5500 services available through Wrangle, LLC include:

- Managing the Form 5500 filing process from start to finish
- Managing timing and deadlines
- Gathering Schedule A and C data from insurance companies and administrators
- Answering technical questions
- Providing consulting advice on complex situations (e.g., Delinquent Filer Voluntary Compliance Program (DFVC), Trusts, etc.)
- Preparing signature-ready Form 5500s – original and a copy
- Preparing Summary Annual Reports (SAR) – original and a copy
- Preparing Form 5558 (Extension of Time to File), as necessary
- Providing a client-specific filing schedule – includes due dates, plans, etc.
- Correcting errors and deficiencies in Forms, as required
- Responding to Department of Labor (DOL)/Employee Benefits Security Administration (EBSA) letters
- Handling emergencies

\* Form 5500 services available through Wrangle, LLC are provided to Brazos County at an additional fee (\$325 per year per 5500). Texas, New York, and Louisiana law precludes us from covering the cost of the service.

## Medicare – My Benefit Advisor, A USI Subsidiary

My Benefit Advisor is a USI subsidiary that can help Brazos County establish a solution to guide your employees through the Medicare maze and find the right coverage solutions. Dedicated benefits professionals will compare prices and coverages to help your Medicare eligible employees make the best decision while saving them time and money. Best of all, **there is no fee for this service** and the rates are the same as buying directly from the insurance carrier.

## Required Notices and Disclosures

USI can assist with annual and new hire notifications including HIPAA Special Enrollment, Medicaid/SCHIP, and wellness program notifications, customized for the client based on type of funding, employee count, and other relevant factors. We will also provide information and assistance on government disclosures such as the annual Medicare Part D CMS notification and Form 5500 (see above).

USI will educate Brazos County on how to complete Forms 1094-C and 1095-C and can assist in identifying a third-party provider that can gather the information to prepare the forms. Brazos County will be responsible for filing the forms directly with the IRS as the forms must be signed by an authorized representative of the employer. We have national pricing arrangements with several providers for this service. The contract would be direct with Brazos County.

## Mineral (formerly ThinkHR)

USI has teamed up with Mineral to give you answers you can trust. Mineral is a cloud-based HR platform that integrates live experts to help resolve urgent workforce issues and ensure HR compliance. The Mineral platform includes access to a wide variety of document templates including job descriptions, employee handbook, compliance and HR guidelines, checklists for compliance, salary benchmarking, and more.

<b>Mineral Live</b>		<b>USI</b>
<b>Expert HR Advice and Answers to Complex HR Questions</b> – Introducing a revolutionary HR advice service for our most valued customers		
When you need answers to tough HR questions, where can you go? Your lawyer? Friends? The web? These options either cost too much or leave you with incomplete answers. So, we have teamed with Mineral, the leader in LIVE HR advice, to give you answers you can trust.		
<b>HR Hotline</b>	<b>HR Library</b>	<b>HR Training</b>
Talk directly to certified HR experts and get immediate answers	Access to thousands of online tools, forms, templates, and guides	Use unlimited self-paced employee training from over 200 countries

Call the HR Hotline with your HR questions, and you will speak directly to SPHR/PHR-certified consultants. You can get immediate guidance and best practices advice to swiftly handle the toughest HR issues and get right back to business. Calls last 35 minutes on average and most are also followed up with a written summary.

You also have unlimited access to self-paced training with over 200 on-demand employee training courses available; plus, a comprehensive online HR Library which has step-by-step guides for federal and state law compliance, COBRA, and FMLA, and thousands of invaluable templates, forms, guides, and online tools. You can stop searching and start finding accurate information that applies to the situation at hand.

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>▪ Discrimination – EEO, ADA</li> <li>▪ Employee relations</li> <li>▪ Performance management</li> <li>▪ Policy and procedures</li> <li>▪ Recruiting and hiring</li> </ul> | <ul style="list-style-type: none"> <li>▪ Leave of absence – FMLA, PDL</li> <li>▪ Wage and hour, Equal Pay Act</li> <li>▪ Workers compensation</li> <li>▪ General benefits compliance</li> <li>▪ COBRA, HIPAA, PPACA</li> </ul> | <ul style="list-style-type: none"> <li>▪ Statutory compliance</li> <li>▪ Conflict resolution</li> <li>▪ Terminations</li> <li>▪ Workplace safety</li> <li>▪ Unlawful harassment</li> </ul> |
|---|--|--|

\* Additional fees of \$100 per year applies for a separate buy-up service. Texas, New York, and Louisiana law precludes us from covering the cost of the service.

## HIPAA Privacy and Security Requirements

USI enters into Business Associate Agreements with our clients' group health plans to address the use and disclosure of Protected Health Information (PHI). USI, as a Business Associate, ensures that any subcontractor or agent to whom it provides PHI agrees to HIPAA Privacy and Security standards, as required by the HIPAA Privacy and Security regulations (as amended by HITECH). USI trains team members on HIPAA compliance.

Our in-house USI National Compliance Team supports USI professionals and clients with respect to various issues implicating the HIPAA Privacy and Security Rules.

## INNOVATIVE STRATEGIC SOLUTIONS

In a rapidly changing market, where costs remain a concern, the need for innovation is a priority. USI not only stays current with innovative approaches but continues to drive the development of new strategies to support clients. Our dedicated resources deliver competitive advantage and address a wide range of employer concerns to deliver innovative solutions that provide greater value and efficiency to Brazos County.

USI brings savings for our clients through our strong renewal/ marketing negotiations for all lines of coverage each year, top of the line pharmacy contract negotiations and terms, transparent Rx rebates applied in credits up front so no waiting for rebates to arrive in the mail quarterly at best, rebate true-up, a range of funding options, PHM planning to promote existing disease management programs, and ongoing compliance advice, alerts, webinars, seminars to keep Brazos County in compliance with the ever changing benefits environment.

Providing innovative solutions is a major goal and responsibility of your account team. The following highlights a few recent innovative investments that we are seeing have big impacts for our clients.

<p><b>Musculoskeletal Alternative Treatment</b></p> <ul style="list-style-type: none"> <li>USI's implementation of an alternative treatment network reduces costly surgical procedures and enhances member experience</li> <li>Members suffering from musculoskeletal conditions may undergo costly yet ineffective surgeries without access to alternative therapies</li> <li>USI identifies <b>Alternative Treatment Networks</b> based on claims data and geographic access</li> <li>Create communication pieces to increase understanding and utilization</li> </ul>	<p><b>Impact and Benefits</b></p> <ul style="list-style-type: none"> <li>Musculoskeletal claims represent approximately 10% total program cost</li> <li>Non-surgical alternatives offer estimated savings up to 50% per incident by eliminating costly/invasive surgery and radiology expenses</li> <li>Average three visits with 89% patient reported resolution (based on over 220,000 cases)</li> <li><b>Estimated savings of 1.5% total program cost</b></li> </ul>
<p><b>Incentivized Physician Engagement</b></p> <ul style="list-style-type: none"> <li>USI's strategy to incentivize employees to engage with their primary care physician reduces high-cost drivers and improves employee health</li> <li>Less than 30% of US population has an active primary care relationship</li> <li>Determine current physician engagement level through carrier and USI proprietary analytics tool</li> <li>Design financial incentives around plan and contribution structure to increase primary care utilization</li> <li>Use data to evaluate the program's effectiveness and provide future program direction</li> </ul>	<p><b>Impact and Benefits</b></p> <ul style="list-style-type: none"> <li>Employees with active primary care relationships experience 40% lower rate of ER services and 33% lower inpatient admissions, resulting in an <b>estimated 1 – 3% reduction of total program cost</b></li> <li>With proper incentives, 70 – 95% of participants establish active primary care relationship within 12 months</li> </ul>
<p><b>Targeted Disease Management</b></p> <ul style="list-style-type: none"> <li>USI's proprietary "Take Charge" programs provide a low-cost, high impact solution to promote effective diabetes and cardiac condition management</li> <li>High blood pressure, high cholesterol, and diabetes are the most prevalent chronic conditions. Combined they account for approximately 10 – 20% of total healthcare claims</li> <li>Generic disease management programs unaffiliated with primary care have little to no impact on managing these underlying conditions</li> <li>Within the USI CORE Health Strategy, high-risk employees are incentivized to adhere to disease management protocols</li> </ul>	<p><b>Impact and Benefits</b></p> <ul style="list-style-type: none"> <li>Carrier based DM programs typically cost \$50 – \$100 PEPY, yet reach only 1% of the population</li> <li><b>Estimated total program cost savings of 1 – 3%</b> assuming \$700 cost avoidance per engaged high-risk individual with diabetes and \$2,000 per cardiac patient</li> <li>Significantly increased adherence to DM protocols vs. using a generic DM program</li> </ul>

## E. LITIGATIONS/ETHICS

**Provide the style and cite of any current/pending litigation and any litigation settled or disposed within the past five (5) years against the proposers, including its parent sister, or subsidiary companies, and proposed sub-contracts. Also, provide detail of any ethics violations or board actions within the past five (5) years against the proposer, including its parent, sister, or subsidiary companies and proposed sub-contractors.**

As a large commercial insurance organization, we are sometimes subject to litigation; none of which has any material adverse or other impact on our ability to provide the service offerings identified in this RFP. To the best of my knowledge, USI does not have any failed projects, suspensions, or disbarments.

In addition, USI is not presently, to the best of our knowledge, in violation of any regulations. We strive to not only comply with but exceed the expectations of any local, state, federal, or international regulations that impact our operations.

As a national insurance brokerage, we are supervised under each state's insurance department regulatory authorities for our primary insurance activities in which we are conducting insurance transactions. In addition, several other regulatory authorities may have oversight depending on the products, services, and business lines involved. These additional regulatory authorities would include the DOL, FINRA, and the SEC.

USI maintains a licensing and compliance group who, along with its law department, work together to ensure that its operations are fully compliant with all state insurance department regulatory requirements.



## F. CONFLICT OF INTEREST

### **Potential conflict of interest with other clients, if any.**

To our knowledge, there are no conflicts of interest. If one should arise, USI would be responsible for working with you to resolve such conflict.



# G. ADDITIONAL INFORMATION

Additional information to help the evaluation scores, for instance, resume’s, credentials, sample reports, etc.

## YOUR USI ACCOUNT SERVICE TEAM

Proprietary technology and USI’s coordinated, hands-on delivery methods provide you with a service program that is responsive to your needs every hour of every day. Your account service team is driven by a lead consultant and core account managers who know your organization and industry well, and who follow through on promised deliverables. USI’s consultative approach and consistent communication yields great outcomes. Our experienced consultants stay involved in client relationships, backed by a deep, networked team of knowledgeable professionals and support staff.

USI’s national technical resources are based regionally, and networked nationally, to supplement and support our local account teams in providing full-service employee benefits capabilities to our clients. Resources include experienced specialists with strategic knowledge in HR technology, communications, benefits compliance, healthcare reform, population health management, underwriting and analytics, ancillary benefits, pharmacy benefit consulting, international benefits, benefits mergers and acquisitions, stop loss, as well as other areas.

Following is the proposed USI service team for Brazos County.

### Brazos County’s USI ONE® Network Provides Deep Expertise

Dedicated technical experts networked nationally and embedded in local offices, with over 8,000 professionals nationwide to build integrated client-centered account teams.



- 2,400+ national employee benefits professionals including our enrollment, retirement, and wholesale teams
- 280 EB professionals within USI Southwest
- In-house experts, locally based, ensure your full account team is always available
- Hands-on service and ongoing diligent follow-through

### Unmatched Breadth and Depth of Local and National Employee Benefit Resources



## Multi-Disciplined Service Approach

Our service approach is multi-disciplined and covers the contractual, clinical, and operational aspects of your benefit plan. USI Population Health Management provides consulting to medically manage chronic conditions, improve chronic condition early detection, and improve compliance of treatment protocols for certain chronic conditions. USI Pharmacy Consulting develops programs that reduce cost and offers appropriate benefits and coverage for members to live healthy and productive lives. We want to help ensure engagement, adherence, and compliance with the evidenced-based protocols for each type of condition or risk. Communication consultants, data analysts, underwriters, HR technology consultants, administrative support, and other critical team members assist and help ensure delivery of best-in-class service for Brazos County.

**All service, decision-making, and executive management for Brazos County is provided by your account service team in Houston.** This allows us to direct our energy and resources to you while making important decisions quickly and efficiently. Our service philosophy has nothing to do with transactions, pushing products, or getting bigger for the sake of bigness. It's about building long-term relationships one client at a time.

USI's consultative approach and consistent communication yields great outcomes. Our experienced consultants stay involved in client relationships, backed by a deep, networked team of knowledgeable professionals and support staff.

Following is a table detailing each team member's tenure, qualifications, certifications, experience in the field, and roles/responsibilities.

Team member, title, years of experience	Professional experience/Role
 <p><b>Brenda Cos</b>  <i>Partner, Producer                      Account Executive                      (Houston, TX)</i>                      Yrs. of Experience: 20+                      With USI Since: 2011</p>	<p><b>Professional experience:</b> Brenda joined USI when her employer at the time, Plumhoff &amp; Associates Inc., merged with USI. Prior to her experience with USI, Brenda was a long-tenured Vice President of Account Management with Plumhoff. Her early career involved servicing and marketing both self-funded and full insured accounts with General American and CIGNA. Brenda specializes in self-funded clients and has an immeasurable level of expertise from working with some of the largest employers in the USI client family. Her technical knowledge of self-funded plans has separated her from her peers and made her a highly valued asset to USI.</p> <p><b>Role:</b> Brenda's primary focus is to develop client relationships, resolve service concerns, understand the client's business challenges, and plan and execute appropriate solutions, marketing strategies, and communication campaigns that meet clients' defined objectives.</p>
 <p><b>Lina Colon</b>  <i>Senior Account Manager                      (Houston, TX)</i>                      Yrs. of Experience: 14+                      With USI Since: 2014</p>	<p><b>Professional experience:</b> Before joining USI, Lina worked for a USI client in its benefits department. With a strong background in customer service and claims resolutions, she meticulously assists clients with the navigation of the complex healthcare system and works beside Brenda Cos to ensure that their clients are being serviced with a high degree of ethics and efficiency. One of her most important contributions to USI has been her fluency in both English and Spanish. Lina can translate for our Spanish-speaking clients and employees, who undoubtedly feel more comfortable with someone who is able to communicate with them.</p> <p><b>Role:</b> Lina is responsible for the day-to-day servicing of accounts, building client relationships, resolving service concerns, providing marketing analysis, and implementing communication and enrollment campaigns.</p>

**Team member, title,  
years of experience**

**Professional experience/Role**



**Grace Bell**

*Account Manager  
(Houston, TX)*

**Yrs. of Experience: 1+**  
**With USI Since: 2021**

**Professional experience:** Grace joined USI in 2021 upon graduating from college. She earned a B.B.A. in Marketing from St. Mary's University in San Antonio, Texas.

**Role:** Grace is responsible for day-to-day support and servicing client accounts including managing the marketing process, making Brainsharks, creating intake forms, printing and binding guides, creating account profiles, performing contract reviews, and creating "Final Sold" for clients.

**Chelsea Cox**

*Senior Account Representative  
(Houston, TX)*

**Yrs. of Experience: 5+**  
**With USI Since: 2017**

**Professional experience:** Chelsea began with USI as a medical and ancillary Benefits Analyst, learning much of the financial side first and in-depth stop loss as well as some underwriting. She transitioned into an account management role after a year and a half and has gained a multitude of experience in different areas of account management. Before coming to USI, she worked as an assistant with Express Employment.

**Role:** Chelsea is responsible for supporting the day-to-day servicing of accounts, keeping data systems current, utilizing and coordinating with carriers to gather documentation for clients' lines of coverage, i.e., policies, certificates, benefit booklets, SBC's etc. as well as client problem solving. She ensures contracts are accurate, oversees the filing of client 5500's, updates client employee benefits' guides, creates Brainshark recordings, and assists as needed.



**Ali Tariq, MBA**

*Underwriting & Analytics  
(Houston, TX)*

**Yrs. of Experience: 17+**  
**With USI Since: 2019**

**Professional experience:** Prior to joining USI, Ali worked for three years as a Senior Analytics Consultant, and later Supervisor of Analytics, with Kelsey-Seybold Clinic where he was responsible for KelseyCare commercial plan designing, pricing, and contract negotiation with carriers; KelseyCare plan implementation and monitoring, converting raw data feeds into usable and presentable formats; Kelsey Employee Plan management and monitoring; and Kelsey clinics' financial health, future growth projections, and monitoring. He also worked with capitation payments from carriers and to TPA's and monitored Kelsey capitation segment's financial health. Before that he served for 13 years as a senior Medical and Rx large group Underwriter for Humana where his focus was renewals and proposals for large group UW (+100 life groups) for the Austin, Dallas, and San Antonio markets. He is a self-funded subject matter expert. Ali graduated with a B.S. in Finance from Indiana University's Kelley School of Business and later earned his M.B.A. from the University of Houston.

**Role:** Ali's role includes analysis, interpretation, delivery of experience and utilization reports for our clients – a focus that supports a belief that data analytics and interpretation are the keys to understanding a client's claims experience. He also supplies clients with renewal projections and works with our Medical Directors on large claimant analysis.

**Team member, title,  
years of experience**

**Professional experience/Role**



**Wendy Carmichael, JD**

*Senior Vice President,  
ERISA Counsel  
(Houston, TX)*

**Yrs. of Experience: 22+  
With USI Since: 2006**

**Professional experience:** Prior to joining USI, Wendy was in private practice at Courtney & Associates, P.C. She has practiced exclusively in employee benefits law since 1999. Wendy is a member of the State Bar of Texas and Houston Bar Association. She earned her J.D. from the University of Oregon School of Law.

**Role:** Wendy is in-house ERISA Counsel, focused on helping our department and our clients stay compliant with requirements of various benefits laws.



**Michele Parker, MS, CHES**

*Senior Population Health  
Management Consultant  
(Houston, TX)*

**Yrs. of Experience: 17+  
With USI Since: 2015**

**Professional experience:** Prior to joining USI, Michele worked for Cigna as a Client Account Support Specialist. While at Cigna, she gained experience working at the carrier level where she was placed onsite at the City of Houston account working on their health management program. Michele successfully developed and managed wellness programs for 20,000+ employee population at the University of Texas MD Anderson Cancer Center. During her tenure, MD Anderson was awarded the Houston Business Journal's "Healthiest Employers" award.

Michele graduated from Stephen F. Austin State University with a B.S. in Health Science/Community Health and a Minor in Communications. She is a Certified Health Education Specialist (CHES), has her Masters from Texas Southern University in Health Education, and is a Certified Worksite Wellness Program Manager (CWWPM) with The National Wellness Institute. She has held adjunct professor positions teaching Health Promotion courses to graduate level students at the University of Houston, in Clearlake Texas.

**Role:** Michele partners with clients to analyze data and understand their population's culture in order to help implement evidence-based solutions tailored to each group's specific needs.



**Dominic Vu, PharmD**

*Senior Vice President,  
Pharmaceutical Strategies  
(Houston, TX)*

**Yrs. of Experience: 10+  
With USI Since: 2019**

**Professional experience:** Dr. Vu has extensive clinical and administrative leadership experience in medication adherence, population health initiatives, and PBM pharmacy operations in his previous role as Director of Pharmacy for Memorial Hermann Health Plan. His work has focused on leveraging population health data to design clinical programs to reduce healthcare cost through pharmacy and medical benefit design, formulary management, and negotiating with PBMs for lowest unit cost price.

Dr. Vu's formal education includes completing an AMCP managed care pharmacy residency with Kelsey-Seybold Clinics, Doctor of Pharmacy from University of Houston, and Bachelor of Computer Science from Midwestern State University.

**Role:** As Lead Pharmacy Consultant, Dr. Vu is responsible for helping clients with strategies to lower cost within the health insurance program specifically as driven by prescription drugs.

**Team member, title,  
years of experience**

**Professional experience/Role**



**Eric Kerstman, M.D.**

*Medical Director  
(Houston, TX)*

**Yrs. of Experience: 25+  
With USI Since: 2020**

**Professional experience:** Dr. Kerstman has over 25 years of clinical experience in diverse healthcare settings. His medical education and training include preventive medicine and public health. He has provided clinical care to diverse populations, ranging from people with disabilities to people exposed to extreme environments. He obtained his Medical Doctorate from the State University of New York Health Science Center at Brooklyn. Dr. Kerstman competed an internship in Internal Medicine at the Albert Einstein College of Medicine, followed by a residency in Physical Medicine and Rehabilitation at New York University Medical Center. He subsequently obtained a master's degree in public health and completed a residency in Preventive Medicine at UTMB/NASA. Dr. Kerstman is board certified in Physical Medicine and Rehabilitation, Pain Medicine, and Preventive Medicine/Aerospace Medicine. Dr. Kerstman currently serves as an Aerospace Medicine Physician and Flight Surgeon at NASA Johnson Space Center. He joined USI in 2020.

**Role:** As Lead Clinical Consultant, Dr. Kerstman focuses on implementation of medical analytics and preventive measures to meet the varying needs of corporations and employees in identifying and reducing health risks for our clients.



**Christina Lange**

*Manager, Employee Benefits  
Technology & Communication  
(Houston, TX)*

**Yrs. of Experience: 31+  
With USI Since: 1997**

**Professional experience:** Christina has held a variety of roles at USI, including Marketing Specialist, Account Manager, and Resource Advisor. In those roles, she focused on self-funded accounts and report analysis. With her technical expertise, she earned the title of "go-to person" within the department and her passion for learning has brought her to her current role.

**Role:** Christina manages and implements value-added services that respond to our clients' needs including implementation of and training on online enrollment programs, employee benefits statements, communication campaigns, and employer/employee user-friendly websites.

**Benefit Resource Center**

USI's BRC (staffed by USI employees in the U.S.) support escalation of employee claim issues, access to care, benefit interpretations and explanations, assistance obtaining case management, transition of care issues, and access to community resources. Benefit Specialists act as the single point of contact for an employee with a claim issue — from beginning to resolution — including any claim appeals for payment. Each issue is assigned to a dedicated benefit specialist, who remains with that issue all the way through resolution. Your employees can connect with the BRC in multiple ways: phone, email, text message, or through your account service team.



**David (Dave) Truxillo, Jr.**

*Practice Leader  
(Houston, TX)*

**Yrs. of Experience: 20+  
With USI Since: 2015**

**Professional experience:** Dave has worked with clients including local companies and multi-national corporations in various industries as well as universities, nonprofits, and sports and entertainment groups. Before joining USI, he spent nearly 10 years with AIG in Houston and New York City as a Sales Representative, Regional Manager, and Vice President of Sales. During his tenure at AIG, he was involved with the development of two new insurance products and managed regional offices in New York, Boston, Philadelphia, Los Angeles, San Francisco, Chicago, Dallas, and Houston.

Dave started his career with USI as an Account Executive in the Metairie, Louisiana office where he focused on all aspects related to the management of health and welfare plans, with an emphasis in alternative funding. He earned a B.S. in Business Management from the Louisiana State University, E. J. Ourso School of Business.

**Role:** Dave leads the Employee Benefits Practice for Houston and acts as strategist and liaison.

## USI SAMPLE DOCUMENTS/REPORTS

To demonstrate various work products we provide to our clients, we have included the following samples of documents for Brazos County's review:

- Appendix I – SAMPLE Self-Funded Reporting
- Appendix II – SAMPLE 3D Reporting
- Appendix III – SAMPLE Stewardship Report
- Appendix IV – SAMPLE Compliance-Related Communications
- Appendix V – SAMPLE Employee Communications

# PRICING

## **Pricing is based on a monthly fee, please provide the monthly rate below:**

All services proposed throughout our response, unless indicated with “additional fees may apply,” are included in our services. Our proposed monthly rate would be:

- \$ 10,000 / month

Neither our firm nor its top management have any significant investments in insurers or reinsurers that we do business with. As a matter of strategy and philosophy, USI is independent of any insurer or reinsurer and prohibits such investments as a policy matter.

No USI team member may accept any benefit from any client or insurer, insurance intermediary, financial service, or product provider, or from any prospective client or supplier, that could create the appearance of impropriety, or create a conflict of interest between the employee’s own personal interests and the interests of USI.

USI offers full transparency into our compensation. As a licensed insurance producer, USI is authorized to confer with or advise our clients and prospective clients concerning substantive benefits, terms, or conditions of insurance contracts; to sell insurance; and to obtain insurance coverages for our clients. Our compensation for placement of insurance coverage, unless otherwise specifically negotiated and agreed to with our client, is customarily based on commission calculated as a percentage of the premium collected by the insurer and is paid to us by the insurer.

We may also receive from insurers and insurance intermediaries (which may include USI-affiliated companies) additional compensation (monetary and non-monetary) based in whole or in part on the insurance contract we sell, which is contingent on volume of business and/or profitability of insurance contracts we supply to them, and/or other factors pursuant to agreements we may have with them relating to all or part of the business we place with those insurers or through those intermediaries. Some of these agreements with insurers and/or intermediaries include financial incentives for USI to grow its business or otherwise strengthen the distribution relationship with the insurer or intermediary. Such agreements may be in effect with one or more of the insurers with whom your insurance is placed, or with the insurance intermediary we use to place your insurance. You may obtain information about the nature and source of such compensation expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.



Please visit our website for more information about our commissions and fees disclosure <https://www.usi.com/commissions-fees/>

# DISCLOSURES

**CONFIDENTIAL AND PROPRIETARY:** This document and the information contained herein is confidential and proprietary information of USI Southwest, Inc. (“USI”). Recipient agrees not to copy, reproduce, or distribute this document, in whole or in part, without the prior written consent of USI. Estimates are illustrative given data limitation, may not be cumulative, and are subject to change based on carrier underwriting.

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## Compensation disclosure

### Information concerning our fees

As a licensed insurance producer, USI is authorized to confer with or advise our clients and prospective clients concerning substantive benefits, terms or conditions of insurance contracts, to sell insurance and to obtain insurance coverages for our clients. You have agreed to pay compensation to USI, for the placement of insurance, pursuant to a written agreement. We may also receive from insurers and insurance intermediaries (which may include USI affiliated companies) additional compensation (monetary and non-monetary) based in whole or in part on the insurance contract we sell, which is contingent on volume of business and/or profitability of insurance contracts we supply to them and/or other factors pursuant to agreements we may have with them relating to all or part of the business we place with those insurers or through those intermediaries. Some of these agreements with insurers and/or intermediaries include financial incentives for USI to grow its business or otherwise strengthen the distribution relationship with the insurer or intermediary. Such agreements may be in effect with one or more of the insurers with whom your insurance is placed, or with the insurance intermediary we use to place your insurance. You may obtain information about the nature and source of such compensation expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.

# ATTACHMENTS & APPENDICES

# ATTACHMENT: SECTION Q – REFERENCES

Respondents shall provide a list of at least five (5) references, where work comparable in quality and scope to that specified has been performed within the past five (5) years. This list should include the names, phone number and email of the company/entity for which the prior work was performed to contact these references. A negative reference may be grounds for disqualification of bid. Respondents are not allowed to use Brazos County as a reference.

**Company/Entity:** Oil States International  
**Contact:** Amy Birmingham or Jeff Steen  
**Phone:** 713-652-0582  
**Email:** [Amy.birmingham@oilstates.com](mailto:Amy.birmingham@oilstates.com)

**Company/Entity:** City of Bryan  
**Contact:** Lesley Ward  
**Phone:** 979-209-5050  
**Email:** [lward@bryantx.gov](mailto:lward@bryantx.gov)

**Company/Entity:** Williams Brothers Construction  
**Contact:** Bob Lanham  
**Phone:** 713-522-9821  
**Email:** [blanham@wbctx.com](mailto:blanham@wbctx.com)

**Company/Entity:** The Adam Corp/Group  
**Contact:** Fred Patawaran  
**Phone:** 979-599-9480  
**Email:** [patawaran@adamcorporation.com](mailto:patawaran@adamcorporation.com)

**Company/Entity:** Vallourec  
**Contact:** Tiffany Miller  
**Phone:** 281-705-5654  
**Email:** [Tiffany.miller@vallourec](mailto:Tiffany.miller@vallourec)

ATTACHMENT: SECTION R – V.T.C.A. LOCAL  
GOVERNMENT CODE §262.0276 FOR TAX  
VERIFICATION

**R. V.T.C.A. LOCAL GOVERNMENT CODE §262.0276**

**This Section must be completed. Failure to complete this section will disqualify the bid.**

**Brazos County shall refuse to enter into a contract or other transaction with a person who owes a debt to the County per V.T.C.A Local Government Code §262.0276.**

- a. This refusal to award a contract to or enter into a transaction with a person, pertains to an apparent low bidder or successful proposer that is indebted to the County;
- b. "Person" includes an individual, sole proprietorship, corporation, nonprofit corporation, partnership, joint venture, limited liability company, and any other entity that proposes or otherwise seeks to enter into a contract or other transaction with the County requiring approval by the Commissioner's Court;
- c. "Debt shall include delinquent taxes, fines, fees, or delinquencies arising from written agreements with the County.
- d. Prior to award of a contract by the Commissioners' Court, the Purchasing Department will request a statement of account from the Brazos County Tax Office.
- e. Any "debt" as defined above, that is reflected on the statement of account, will be documented and placed in the bid file. The bid or proposal from the person with the debt shall be considered "non-responsive" and "not responsible", eliminating it from any further consideration of award.
- f. These provisions shall apply to any "person" owned, partially owned, managed, operated or represented by a "person" indebted to the County.

**Please list all the names of the individuals that have ownership, officers, managers, and board of directors that you have associated with your entity below.**

<u>Name</u>	<u>Title (Owner, Officer, Director, Manager, Etc.)</u>
USI, Inc. is a wholly owned subsidiary of USI Guarantor, Inc., which is a wholly owned subsidiary of USI Advantage Corp, officers below:	
Michael Sicard	CEO
Phillip Larson	President & COO
Edward Bowler	CFO, SVP, Corp. Development & Treasurer
Ernest Newborn	SVP, General Counsel & Secretary



**S. PROPOSAL EVALUATION WAIVER**

By submitting a proposal or response, each Proposer/offeror indicated below agrees to waive any claim it has or may have against Brazos County (the Owner), Architect, Engineers, Consultants and their respective Commissioners, directors, employees, or agents arising out of or in connection with (1) the administration, evaluation, or recommendation of any proposal or response (2) any requirement under the Request for Qualification or related documents; (3) the rejection of any proposal or response or any part of any proposal or response; and/or (4) the award of a Contract, if any.

The Proposer further agrees the Owner reserves the right to waive any requirements under the proposal documents or the Contract Documents, with regards to acceptance or rejection of any proposals, and recommendation or award of the contract.

**Note: The Statement of Affirmation Must be Notarized.**

**STATEMENT OF AFFIRMATION**

“The undersigned affirms that he/she is duly authorized to execute this waiver by the person(s) or business entity making the proposal.

Firm’s Name: USI Southwest, Inc.

Address: 9811 Katy Freeway, Suite 500, Houston, TX 77024

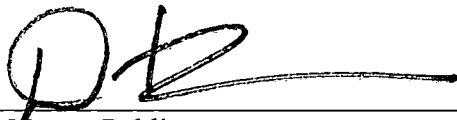
Proposer’s Name: Brenda Cos

Position/Title: Partner, Producer Account Executive

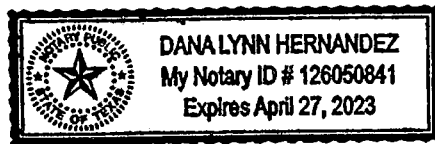
Proposer’s Signature: 

Date: 6/9/22

Subscribed and sworn to me on this 9th day of June in the year 2022

  
Notary Public

My Commission expires April 27, 2023



○ ATTACHMENT: SECTION T – ALL ADDENDUMS (IF APPLICABLE) AND SECTION U – CERTIFICATION OF PROPOSAL



**T. ADDENDA**


The undersigned acknowledges receipt of the following addenda issued during the time of Bidding and includes the several changes therein in this Proposal.

No. \_\_\_\_\_ No. \_\_\_\_\_ No. \_\_\_\_\_

Date \_\_\_\_\_ Date \_\_\_\_\_ Date \_\_\_\_\_

**U. CERTIFICATION OF PROPOSAL**

The undersigned affirms that they are duly authorized to execute this contract, that this bid has not been prepared in collusion with any other Contractor, and that the contents of this bid have not been communicated to any other Contractor prior to the official opening.

Signed By:  Title: VP, Strategic Account Executive

Typed Name: Brenda Cos

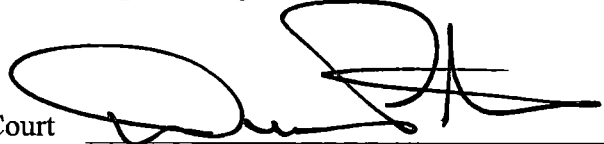
Company Name: USI Southwest, Inc.

Mailing Address: 9811 Katy Freeway, Suite 500, Houston, TX 77024  
P.O. Box or Street City State Zip

Employer Identification Number: 76-0206321

CORPORATE SEAL IF SUBMITTED BY A CORPORATION  
END OF RFP NO. 22-123

**By signing below, Brazos County agrees that this RFP 22-123 will be awarded to the vendor whose name appears above and both parties agree to the terms and conditions contained herein.**

By: Brazos County Commissioner's Court 

Date: August 16, 2022

Attest: Brazos County Clerk 

○ ATTACHMENT: SECTION V – HOUSE BILL 89 &  
DEBARMENT VERIFICATION



**V. HOUSE BILL 89 & DEBARMENT VERIFICATION**

Brazos County is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <https://www.sam.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list. Respondent certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Respondent is in compliance with the State of Texas statutes and rules relating to procurement and that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov>.

The undersigned affirms the non-debarment statement above, that they are duly authorized execute this contract.

The company representative below further affirms, that the company submitting this proposal, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:

1. Does not boycott Israel currently; and
2. Will not boycott Israel during the term of the contract.

Pursuant to Section 2270.001, Texas Government Code:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made or ordinary business purposes; and
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.

Company Name: USI Southwest, Inc.

Authorized Company Representative: Brenda Cos

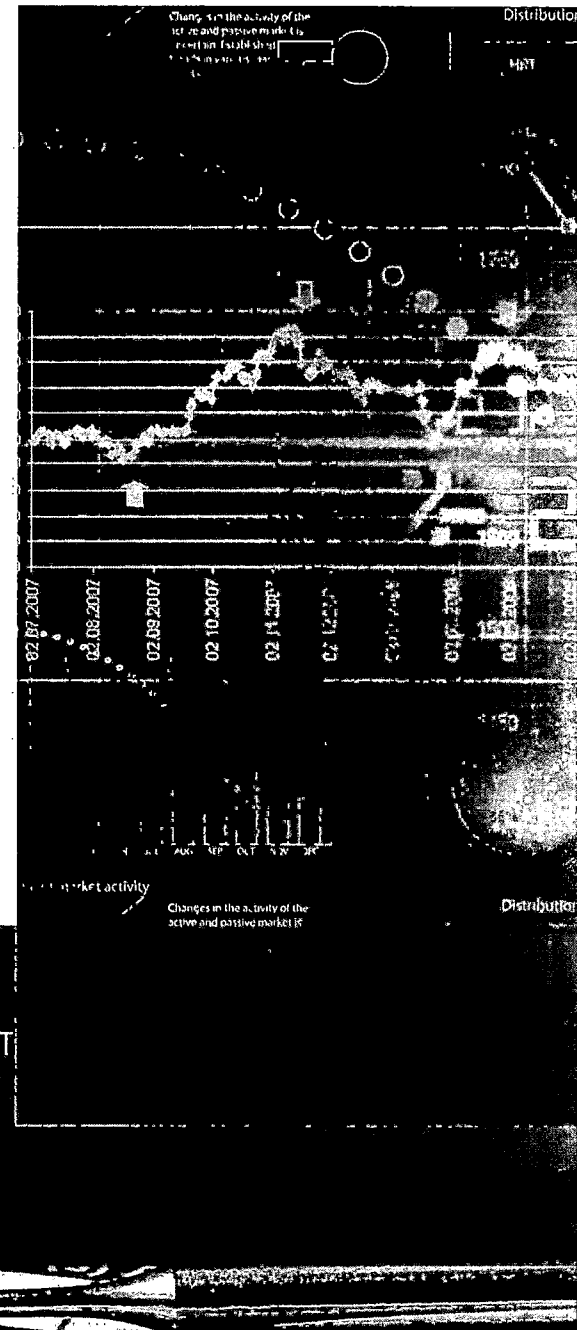
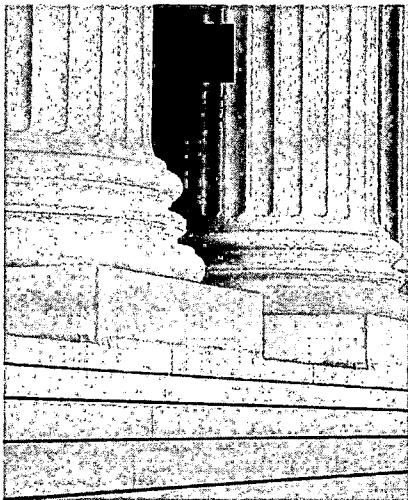
Address: 9811 Katy Freeway, Suite 500, Houston, TX 77024

Signature:  Date: 6/9/22

Contract # 22-123 Benefits Consultant

# ○ APPENDIX I – SAMPLE SELF-FUNDED REPORTING





August 29, 2017

GROUP BENEFITS FIRST QUARTER EXPERIENCE REPORT

# ABC Company

Rex Lund | Greg Bryan | Laura Barry | Jon Merrill  
[www.usi.com](http://www.usi.com)



## **Disclaimer**

The information contained in this report is for general information purposes only. The information is provided by USI Insurance Services and while we endeavour to keep the information up to date and correct, we make no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability or availability with respect to the report or the information, products, services, or related graphics contained in the report for any purpose. Any reliance you place on such information is therefore strictly at your own risk.

In no event will we be liable for any loss or damage including without limitation, indirect or consequential loss or damage, or any loss or damage whatsoever arising from loss of data or profits arising out of, or in connection with, the use of this report.

In this report you may view information which is not under the control of USI Insurance Services. We have no control over the nature, content and availability of that information. The inclusion of information does not necessarily imply a recommendation or endorse the views expressed within them.

## **Commissions and Fees**

As a licensed insurance producer, USI is authorized to confer with or advise our clients and prospective clients concerning substantive benefits, terms or conditions of insurance contracts, to sell insurance and to obtain insurance coverages for our clients. Our compensation for placement of insurance coverage, unless otherwise specifically negotiated and agreed to with our client, is customarily based on commission calculated as a percentage of the premium collected by the insurer and is paid to us by the insurer. We may also receive from insurers and insurance intermediaries (which may include USI affiliated companies) additional compensation (monetary and non-monetary) based in whole or in part on the insurance contract we sell, which is contingent on volume of business and/or profitability of insurance contracts we supply to them and/or other factors pursuant to agreements we may have with them relating to all or part of the business we place with those insurers or through those intermediaries. Some of these agreements with insurers and/or intermediaries include financial incentives for USI to grow its business or otherwise strengthen the distribution relationship with the insurer or intermediary. Such agreements may be in effect with one or more of the insurers with whom your insurance is placed, or with the insurance intermediary we use to place your insurance. You may obtain information about the nature and source of such compensation expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.

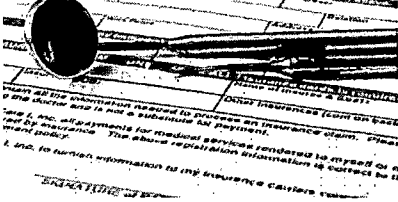
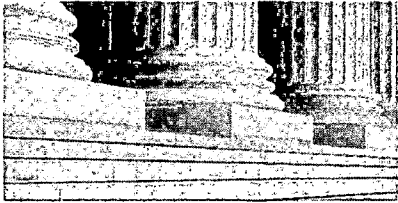
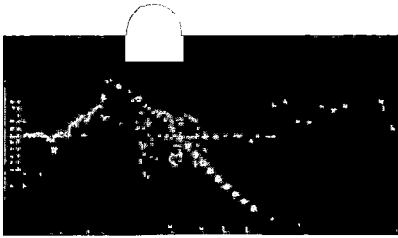
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## **USI Insurance Services Copyright**

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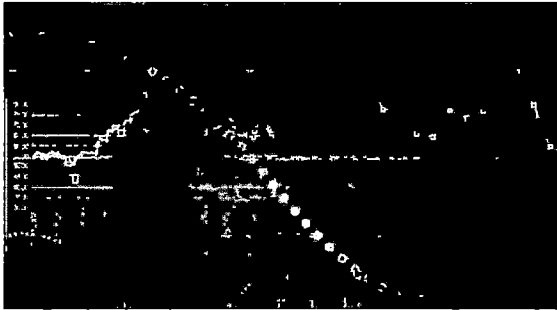
All information and content in this USI Insurance Services report is subject to applicable statutes and regulations, furnished "as is," without warranty of any kind, express or implied, including but not limited to implied warranties of merchantability, fitness for a particular purpose, or noninfringement.





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Section I

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Executive Summary



## Key Report Highlights

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- The first four months of the 2016-17 plan year were favorable for the medical plan with a 64.0% position to expected. The dental plan was slightly higher than expected with a 106.6% position to expected.
- Large claimant activity was minimal in the first quarter. Two emerging large claimant skewed claims paid in July to above the expected threshold. Additional large claimants are expected as the plan year matures
- At the end of this report is the renewal timeline for the April 1, 2017 renewal. Please advise if this timeline is acceptable and meets with ABC Company's expectations.

## Executive Summary

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This analysis provides a review medical/Rx claims experience with Blue Cross/ Blue Shield through the first four months of the 2016-17 plan year. Guardian dental experience for the first three months of the plan year is also included.

### Medical Experience – Section II

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- The first four months of the 2016-17 plan year was favorable, with a 64.0% position to expected claims with \$138,023 in paid claims and no claimants exceeded the \$70,000 specific stop loss deductible.
- July experience was unfavorable with a 123.5% position to expected for that month. This was due to the two large claimants (>\$10,000) listed below, with the majority of claims paid in July.
- On a PEPY (per employee per year) basis, 2016-17 annualized net paid claims *decreased* by 24.0% from 2013. This was remarkable where 8%-12% medical trend is expected. Fixed costs increased 10.8% from the 2015-16 plan year. This was consistent with the 14.5% increase to stop loss premiums and 2.2% increase to administration.
- There were two claimants who surpassed the \$10,000 reporting threshold in the first four months of 2016-17. The highest claimant had \$33,885 in paid claims for a diagnosis of calculus of kidney and ureter.
- High claimant activity was low on a rolling twelve month basis, with no claimant exceeding \$35,000 in paid claims.
- A lag study and reserve estimate is included which estimates projected runout at 0.45 months of average paid claims based on sixteen months (January 2015 through April 2016) of claims lag. In order to be conservative, USI an IBNR reserve of \$21,756 comprised of observed claims lag, 25% margin for adverse claims fluctuation, and 10% of runout claims administration fee.

### Dental Experience – Section III

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- The first three months of the 2016-17 dental plan year realized a 106.6% position to expected, with \$19,374 in paid claims. For comparison, the 2015-16 plan year ended at a 100.4% position to expected.
- On a PEPY basis, dental claims increased 6.3% from the prior year while administrative fees and expected claims remained the same, consistent with decisions implemented at renewal.



Section II

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Medical Experience

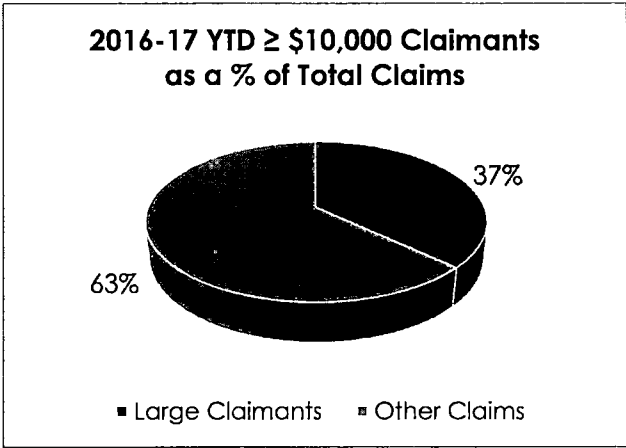
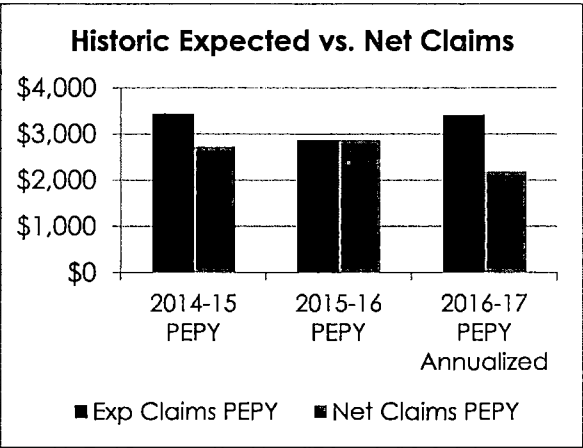
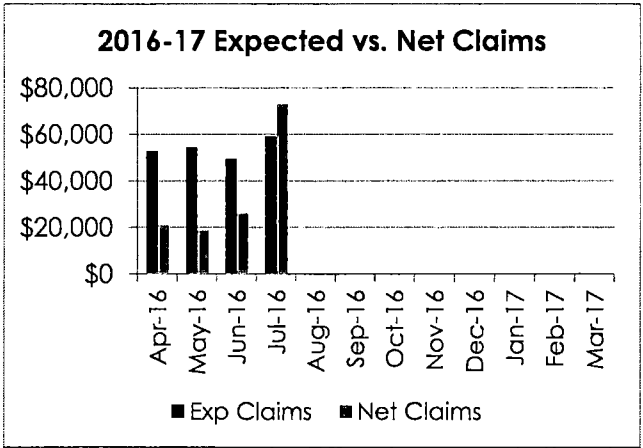


**ABC Company  
Medical/Rx Plan  
Experience Dashboard  
January - July 2016**

<b>Experience Summary</b>	<b>2015-16</b>	<b>2016-17 YTD</b>	<b>Δ from 2015-16</b>	<b>Observations</b>
Expected Claims	469,166	215,512	37.8%	<p>The first four months of the 2016-17 plan year are favorable based on:                      - Paid claims are 64.0% of the expected threshold. This is far below the underwriter's expectation.                      - No concerning large claimants</p> <p>Claims on a per employee basis are 24% <i>lower</i> than to prior plan year. This is remarkable where 8% - 12% medical trend is expected.</p>
Paid Claims (Net)	469,959	138,023	-11.9%	
Net Position to Expected	100.2%	64.0%		
Claims (Net) PEPY	2,869	2,179	-24.0%	
Average Employees	164	190	16.0%	

<b>Large Claimants</b>	<b>2015-16</b>	<b>2016-17 YTD</b>
Claimants Over \$10,000	9	2
Total Paid Over \$10,000	251,960	51,064
Claimants Over \$70,000 SSL	1	-
Total Paid Over SSL	11,615	-

No claimant has yet reached the specific stop loss threshold. Additional large claimant activity is expected as the plan year matures.

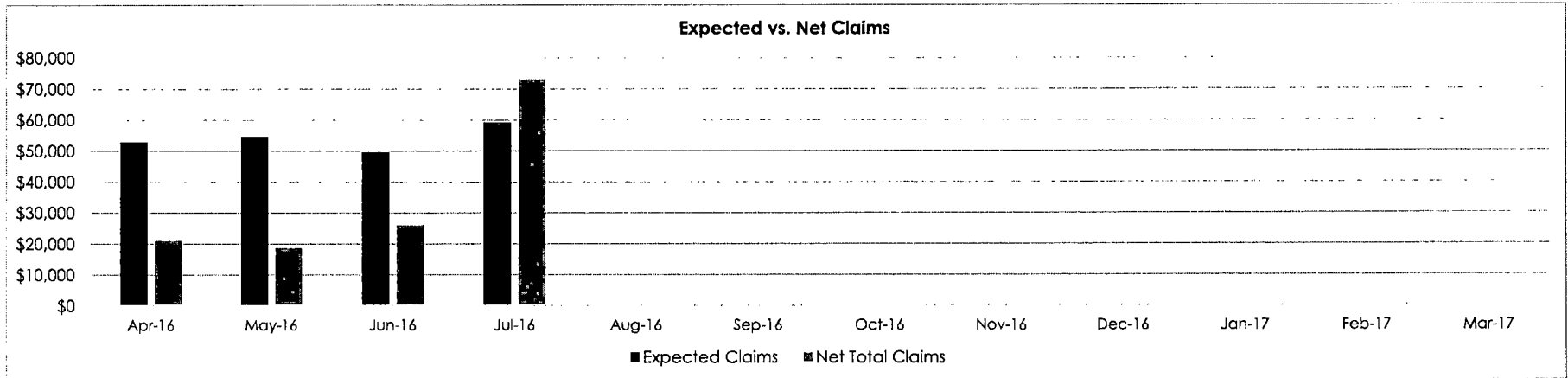


**Notes**

PEPY = Per Employee Per Year



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2016-17 Cost Summary**



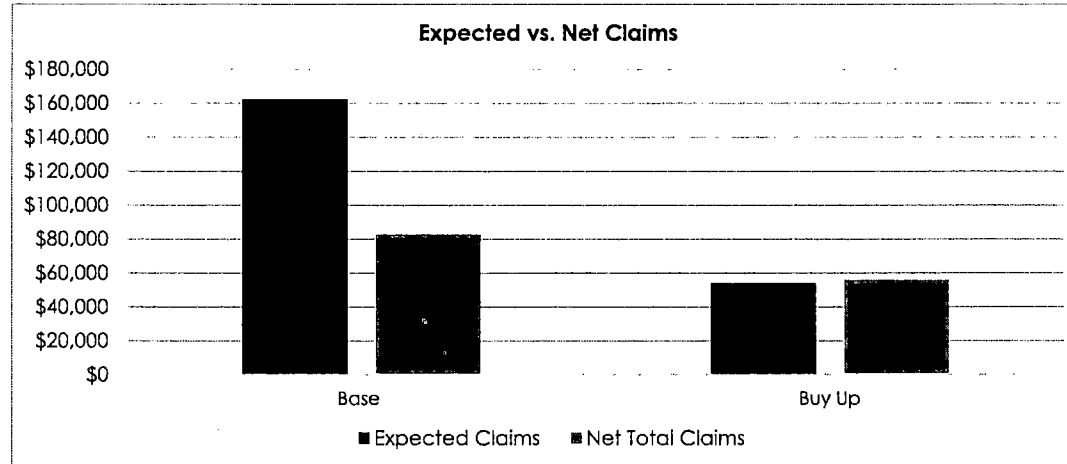
	Enrollment	Fixed Costs			Claims						Net Claims / Ee	Total Plan Costs			Position		
	(1)	(2)	(3)	(4) = 2+3	(5)	(6)	(7)	(8)	(9)	(10) = 7+8+9		(12) = 4+5	(13) = 4+6	(14) = 4+10	(15) = 10/6	(16) = 12-14	(17) = 13-14
	Total Ees	Admin Fees	Stop Loss Premium	Total	Maximum Claims	Expected Claims	Medical Claims	Rx Claims	Over SSL	Net Total Claims		Maximum	Expected	Actual Net	Net Claims / Exp	Max to Actual	Exp to Actual
Apr-16	186	9,906	25,595	35,502	65,930	52,744	18,149	2,712	-	20,861	112	101,431	88,245	56,363	39.6%	45,069	31,883
May-16	192	10,226	26,421	36,647	68,056	54,445	15,936	2,531	-	18,467	96	104,703	91,092	55,114	33.9%	49,589	35,978
Jun-16	174	9,267	23,944	33,211	61,676	49,341	22,475	3,358	-	25,833	148	94,887	82,552	59,044	52.4%	35,843	23,508
Jul-16	208	11,078	28,623	39,701	73,728	58,982	63,390	9,472	-	72,862	350	113,429	98,683	112,563	123.5%	866	(13,880)
Aug-16																	
Sep-16																	
Oct-16																	
Nov-16																	
Dec-16																	
Jan-17																	
Feb-17																	
Mar-17																	
<b>Totals</b>	<b>760</b>	<b>40,478</b>	<b>104,584</b>	<b>145,061</b>	<b>269,390</b>	<b>215,512</b>	<b>119,950</b>	<b>18,073</b>	<b>-</b>	<b>138,023</b>	<b>182</b>	<b>414,451</b>	<b>360,573</b>	<b>283,084</b>	<b>64.0%</b>	<b>131,367</b>	<b>77,489</b>

**Notes**

1. Aggregate corridor is 125%. Specific stop loss is \$70,000.



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2016-17 Cost Summary By Plan**



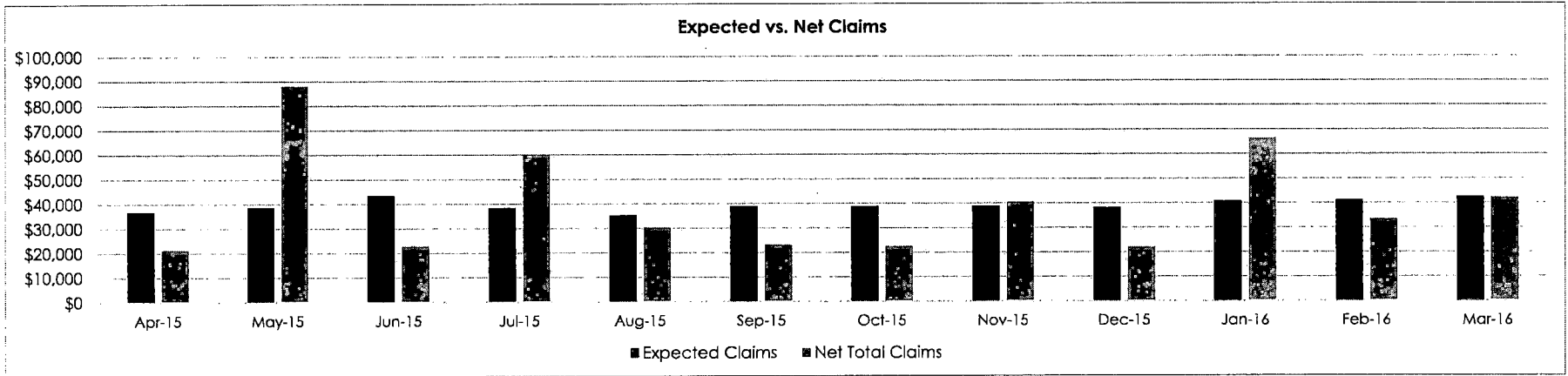
	Base						Buy Up					
	(1)	(2)	(3)	(4)	(5)	(6) = 3+4+5	(7)	(8)	(9)	(10)	(11)	(12) = 9+10+11
	Total Ees	Expected Claims	Medical Claims	Rx Claims	Over SSL	Net Total Claims	Total Ees	Expected Claims	Medical Claims	Rx Claims	Over SSL	Net Total Claims
Apr-16	140	39,700	10,889	1,627	-	12,517	46	13,044	7,260	1,085	-	8,344
May-16	144	40,834	9,162	1,518	-	10,680	48	13,611	6,775	1,012	-	7,787
Jun-16	131	37,147	13,485	2,015	-	15,500	43	12,193	8,990	1,343	-	10,333
Jul-16	156	44,237	38,034	5,683	-	43,717	52	14,746	25,356	3,789	-	29,145
Aug-16												
Sep-16												
Oct-16												
Nov-16												
Dec-16												
Jan-17												
Feb-17												
Mar-17												
<b>Totals</b>	<b>571</b>	<b>161,917</b>	<b>71,570</b>	<b>10,844</b>	<b>-</b>	<b>82,414</b>	<b>189</b>	<b>53,594</b>	<b>48,380</b>	<b>7,229</b>	<b>-</b>	<b>55,609</b>
						Net Claims / Expected						Net Claims / Expected
						50.9%						103.8%
						Net Claims Per Employee Per Month						Net Claims Per Employee Per Month
						144						294

**Notes**

1. Aggregate corridor is 125%. Specific stop loss is \$70,000.



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2015-16 Cost Summary**



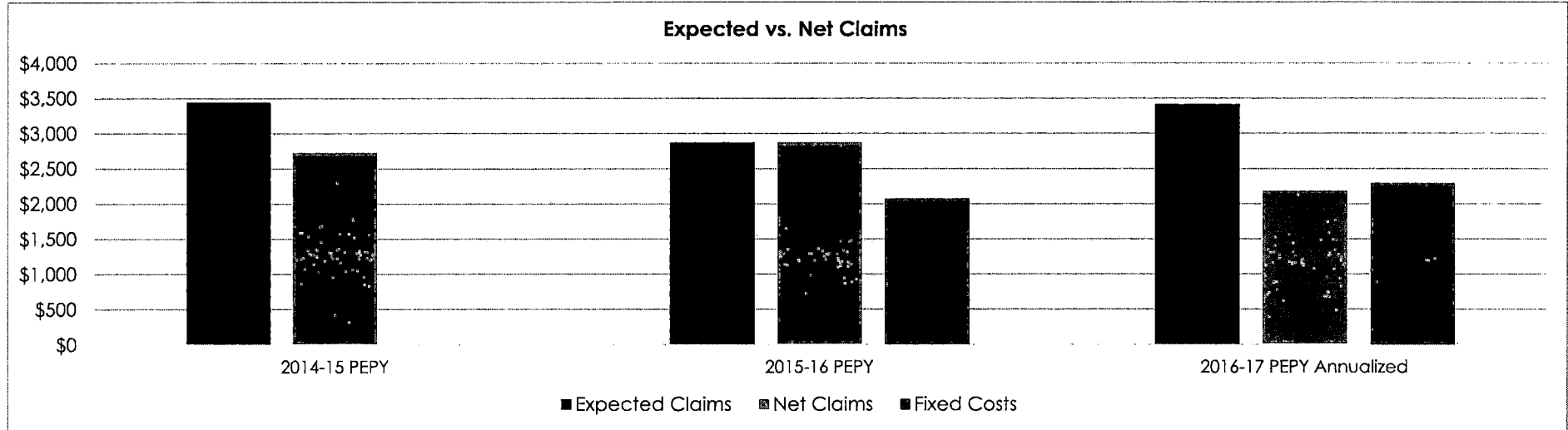
	Enrollment	Fixed Costs			Claims					Total Plan Costs			Position				
	(1)	(2)	(3)	(4) = 2+3	(5)	(6)	(7)	(8)	(9)	(10) = 7+8+9	(11)	(12) = 4+5	(13) = 4+6	(14) = 4+10	(15) = 10/6	(16) = 12-14	(17) = 13-14
	Total Ees	Admin Fees	Stop Loss Premium	Total	Maximum Claims	Expected Claims	Medical Claims	Rx Claims	Over SSL	Net Total Claims	Net Claims / Ee	Maximum	Expected	Actual Net	Net Claims / Exp	Max to Actual	Exp to Actual
Apr-15	153	7,971	18,389	26,360	45,640	36,512	18,310	2,736	-	21,046	138	72,000	62,872	47,406	57.6%	24,594	15,466
May-15	161	8,388	19,351	27,739	48,026	38,421	76,316	11,404	-	87,720	545	75,765	66,160	115,459	228.3%	(39,694)	(49,299)
Jun-15	181	9,430	21,754	31,184	53,992	43,194	19,648	2,936	-	22,584	125	85,177	74,378	53,768	52.3%	31,408	20,610
Jul-15	160	8,336	19,230	27,566	47,728	38,182	55,811	8,340	(4,291)	59,860	374	75,294	65,749	87,426	156.8%	(12,132)	(21,678)
Aug-15	147	7,659	17,668	25,327	43,850	35,080	31,182	4,659	(5,672)	30,169	205	69,177	60,407	55,496	86.0%	13,681	4,911
Sep-15	162	8,440	19,471	27,911	48,325	38,660	21,396	3,197	(1,652)	22,941	142	76,236	66,571	50,852	59.3%	25,384	15,719
Oct-15	162	8,440	19,471	27,911	48,325	38,660	19,390	2,897	-	22,287	138	76,236	66,571	50,198	57.6%	26,038	16,373
Nov-15	162	8,440	19,471	27,911	48,325	38,660	34,989	5,228	-	40,217	248	76,236	66,571	68,128	104.0%	8,108	(1,557)
Dec-15	159	8,284	19,110	27,394	47,430	37,944	19,003	2,839	-	21,842	137	74,824	65,338	49,236	57.6%	25,588	16,102
Jan-16	170	8,857	20,432	29,289	50,711	40,569	57,466	8,587	-	66,053	389	80,000	69,858	95,342	162.8%	(15,342)	(25,484)
Feb-16	172	8,961	20,673	29,634	51,308	41,046	29,014	4,335	-	33,349	194	80,941	70,680	62,983	81.2%	17,959	7,697
Mar-16	177	9,222	21,274	30,495	52,799	42,239	36,445	5,446	-	41,891	237	83,294	72,735	72,386	99.2%	10,908	348
<b>Totals</b>	<b>1,966</b>	<b>102,429</b>	<b>236,294</b>	<b>338,722</b>	<b>586,458</b>	<b>469,166</b>	<b>418,970</b>	<b>62,604</b>	<b>(11,615)</b>	<b>469,959</b>	<b>239</b>	<b>925,180</b>	<b>807,888</b>	<b>808,681</b>	<b>100.2%</b>	<b>116,499</b>	<b>(793)</b>

**Notes**

1. Aggregate corridor is 125%. Specific stop loss is \$70,0000.



**ABC Company  
Medical/Rx Plan  
Historical Cost Summary**



Time Period	Average Employees	Expected Claims	Gross Medical Claims	Gross Rx Claims	Claims Over SSL	Net Total Claims	Net Claims/Exp	Admin Fees	Stop Loss Premium	Total Fixed Costs	Total Net Plan Costs
2014-15 Plan Year	146	501,146				397,002					770,994
2015-16 Plan Year	164	469,166	418,970	62,604	(11,615)	469,959	100.2%	102,429	236,294	338,722	808,681
2016-17 Annualized	190	646,535	359,850	54,219	-	414,069	64.0%	121,433	313,751	435,184	849,253

	Expected Claims	Change from Prior Year	Net Claims	Change from Prior Year	Fixed Costs	Change from Prior Year
2014-15 PEPY	3,433	n/a	2,719	n/a		
2015-16 PEPY	2,864	-16.6%	2,869	5.5%	2,067	n/a
2016-17 PEPY Annualized	3,403	18.8%	2,179	-24.0%	2,290	10.8%

**Notes**

1. The current year is annualized through July.
2. PEPY = Per Employee Per Year
3. The 2014-15 plan year was fully insured. For illustrative purposes, expected claims are assumed to be 65% of total premium (total net plan costs).



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2016-17 Large Claimant Report**  
**April - July 2016**

Relationship	Diagnosis	Enrollment Status	Paid Claims > \$10,000					Total Paid	Claims > SSL
			Apr-16	May-16	Jun-16	Jul-16	Mar-17		
Employee	Calculus of Kidney & Ureter	Active	-	-	10,111	23,774	-	33,885	-
Spouse	Cholelithiasis	Active	-	-	-	17,179	-	17,179	-
							<b>Total</b>	<b>51,064</b>	-

**Notes**

1. Specific stop loss is \$70,000.
2. Large claimants are included only after they exceed the reporting threshold. Claims under the reporting threshold may have been paid in months prior.



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2015-16 Large Claimant Report**  
**January - December 2015**

			Paid Claims > \$10,000													
Relationship	Diagnosis	enrollment Status	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total Paid	Claims > SSL
Employee	Hearing Loss	Active	12,859	43,270	7,844	10,318	5,672	1,652	-	-	-	-	-	-	81,615	(11,615)
Spouse	Pharmacy	Active	-	-	-	-	-	-	-	10,987	4,377	10,455	8,275	-	34,094	-
Employee	Stomach Disorders	Active	-	-	-	13,091	13,689	3,801	-	-	-	-	-	-	30,581	-
Spouse	Bladder Cancer	Active	-	-	-	-	-	-	-	14,013	1,921	4,503	1,478	928	22,843	-
Spouse	Cholelithiasis	Active	-	-	-	-	-	-	-	-	-	-	-	21,765	21,765	-
Child	Acute Appendicitis	Active	-	12,934	6,717	-	-	-	-	-	-	-	-	-	19,651	-
Employee	Hernia of Abdominal	Active	-	-	-	-	-	-	-	-	-	12,269	3,674	1,564	17,507	-
Spouse	Neoplasm of	Active	-	-	-	-	-	-	-	-	-	-	-	13,289	13,289	-
Employee	Kidney Infection	Active	-	-	-	-	-	10,259	356	-	-	-	-	-	10,615	-
														<b>Total</b>	<b>251,960</b>	<b>(11,615)</b>

**Notes**

1. Specific stop loss is \$70,000.
2. Large claimants are included only after they exceed the reporting threshold. Claims under the reporting threshold may have been paid in months prior.



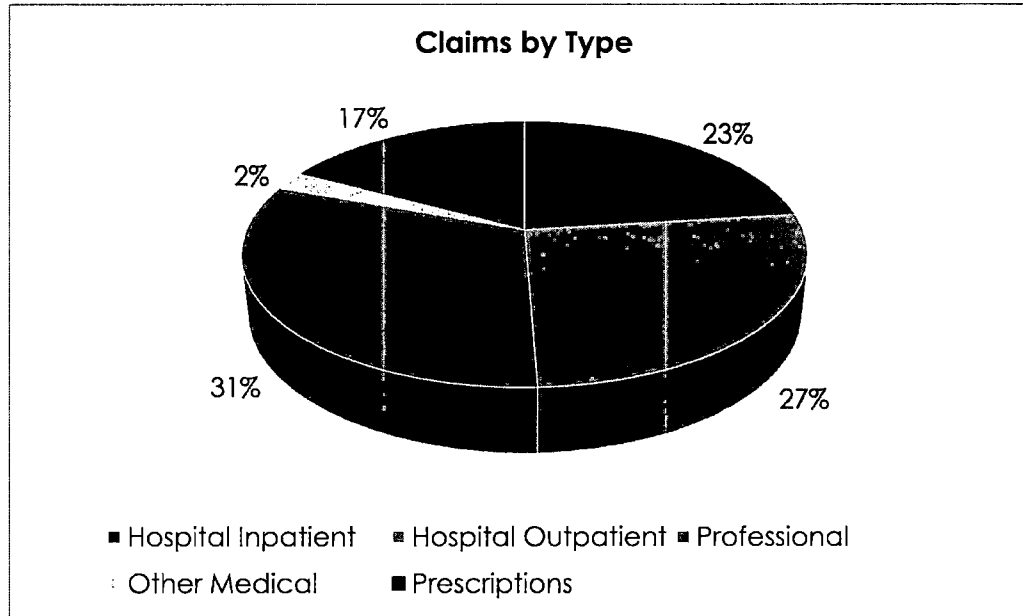
**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2015-16 Top Drug Report**  
**April - July 2016**

**Top Drugs by Paid**

	<b>Drug Name</b>	<b>For The Treatment Of</b>	<b>Generic Available</b>	<b>Total Paid</b>
1	Enbrel	Inflammatory Conditions	No	5,064
2	Ketamine Hydrochloride	Anesthesia	No	3,523
3	Ondansetron HCL	Nausea	No	1,336
4	Symbicort	Pulmonary Conditions	No	777
5	Atralin	Acne	No	614
6	Colcrys	Gout	No	566
7	Lantus Solostar	Diabetes	No	560
8	Topiramate	Seizures, Migraine Headaches	No	551
9	Escitalopram Oxalate	Depression	No	548
10	Lamotrigine	Seizures, Bipolar Disorder	Yes, Is Generic	524
			<b>Totals</b>	<b>\$14,063</b>
			All Other	\$4,010
			<b>Total All</b>	<b>18,073</b>



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2016-17 Claims by Type**  
**April - July 2016**



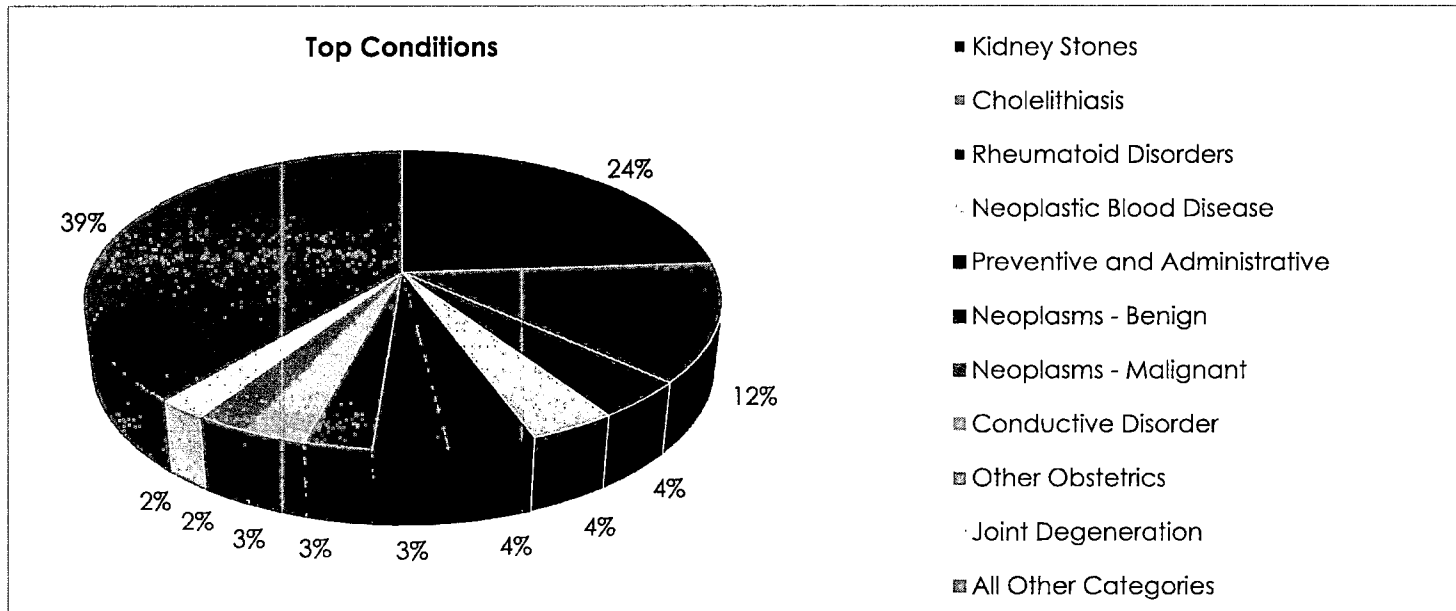
<b>Category</b>	<b>Total Per Member Per Month</b>	<b>% of Total</b>
Hospital Inpatient	77.14	23.1%
Hospital Outpatient	88.05	26.3%
Professional	104.43	31.2%
Other Medical	7.53	2.3%
Prescriptions	57.28	17.1%
<b>Total</b>	<b>334.43</b>	<b>100.0%</b>

**Notes**

1. Other medical includes diagnostic x-ray and lab, ambulance, and skilled nursing facility.
2. Paid claims includes amounts over the pooling point.



**ABC Company**  
**Medical/Rx Plan - Blue Cross/Blue Shield**  
**2015-16 Top Conditions**  
**April - July 2015**



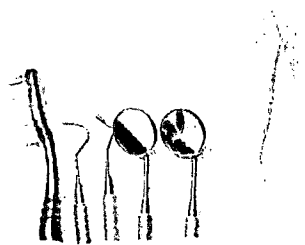
<b>Condition</b>	<b>Total</b>	<b>% of Total</b>
Kidney Stones	33,089	24.0%
Cholelithiasis	17,489	12.7%
Rheumatoid Disorders	5,550	4.0%
Neoplastic Blood Disease	5,150	3.7%
Preventive and Administrative	5,115	3.7%
Neoplasms - Benign	4,328	3.1%
Neoplasms - Malignant	3,961	2.9%
Conductive Disorder	3,787	2.7%
Other Obstetrics	3,081	2.2%
Joint Degeneration	2,964	2.1%
All Other Categories	53,510	38.8%
<b>Total</b>	<b>138,023</b>	<b>100.0%</b>



**ABC Company**  
**Medical Lag Study & Reserve Estimate**  
**Paid Period: May-2015 through Apr-2016**

Incurred Months	Paid Months												Reserve Calculation			
	(1) May-15	(2) Jun-15	(3) Jul-15	(4) Aug-15	(5) Sep-15	(6) Oct-15	(7) Nov-15	(8) Dec-15	(9) Jan-16	(10) Feb-16	(11) Mar-16	(12) Apr-16	(13) = sum(1-12) Total	(14) Completion Factor	(15) = 13 / 14 Estimated Incurred Claims	(16) = 15 / 13 Incurred But Not Reported (IBNR)
Prior	9,880	1,732	1,904	846	13	-	-	-	-	-	-	-	14,375	100.0%	14,375	-
May-15	25,961	4,950	161	56	-	19	-	-	-	-	-	-	31,147	100.0%	31,147	-
Jun-15		17,912	6,801	634	76	34	-	-	-	-	-	-	25,457	100.0%	25,457	-
Jul-15			13,421	6,299	103	1,021	18	533	-	-	-	-	21,395	100.0%	21,395	-
Aug-15				32,628	5,400	1,256	60	330	11	-	-	-	39,685	100.0%	39,685	-
Sep-15					16,005	27,266	1,529	767	-	-	-	-	45,567	100.0%	45,567	-
Oct-15						36,896	11,468	4,180	845	-	-	466	53,855	100.0%	53,855	-
Nov-15							19,834	16,669	783	-	-	-	37,286	99.9%	37,327	41
Dec-15								19,427	9,194	555	224	-	29,400	99.8%	29,472	72
Jan-16									10,686	6,916	1,277	16,667	35,546	99.5%	35,737	191
Feb-16										11,409	8,325	5,446	25,180	94.4%	26,683	1,503
Mar-16											14,732	41,361	56,093	90.2%	62,183	6,090
Apr-16												9,221	9,221	53.8%	17,146	7,925
<b>Totals</b>	<b>35,841</b>	<b>24,594</b>	<b>22,287</b>	<b>40,463</b>	<b>21,597</b>	<b>66,492</b>	<b>32,909</b>	<b>41,906</b>	<b>21,519</b>	<b>18,880</b>	<b>24,558</b>	<b>73,161</b>	<b>424,207</b>	<b>Total Incurred But Not Reported</b>		<b>15,823</b>

IBNR in months 0.45  
 Margin for adverse deviation (25%) 3,956  
 Claims Administration (10%) 1,978  
**Recommended IBNR Reserve 21,756**

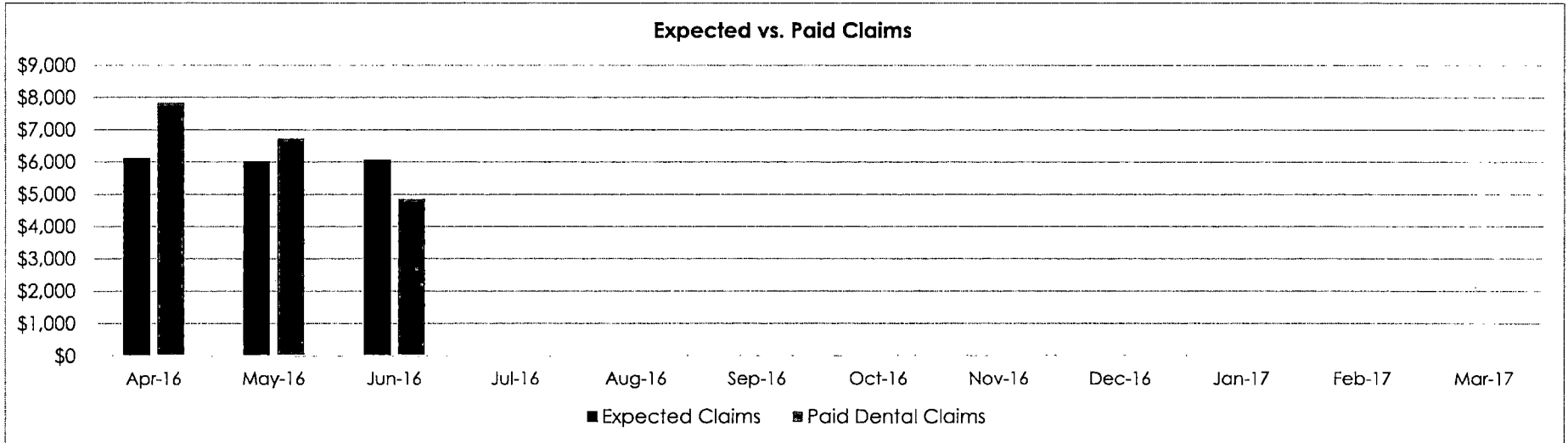


Section III  
Dental Experience

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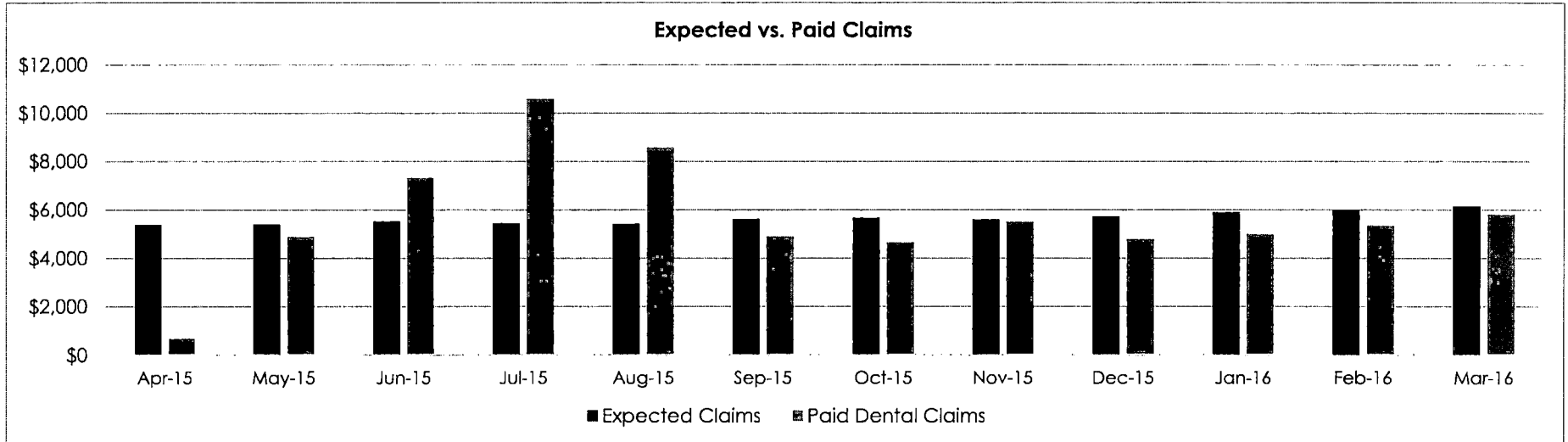
**ABC Company  
Dental Plan - Guardian  
2016-17 Cost Summary**



	<b>Enrollment</b> (1)	<b>Fixed Costs</b> (2)	<b>Claims</b>			<b>Total Plan Costs</b>		<b>Position</b>	
	Total Ees	Administration	Expected Claims	Paid Dental Claims		Claims / Ee	Expected (6) = 2+3	Actual (7) = 2+4	Claims / Expected (8) = 4/3
Apr-16	246	1,390	6,106	7,819	32	7,496	9,209	128.1%	(1,713)
May-16	242	1,367	6,006	6,717	28	7,374	8,084	111.8%	(711)
Jun-16	244	1,379	6,056	4,838	20	7,435	6,217	79.9%	1,218
Jul-16									
Aug-16									
Sep-16									
Oct-16									
Nov-16									
Dec-16									
Jan-17									
Feb-17									
Mar-17									
<b>Totals</b>	<b>732</b>	<b>4,136</b>	<b>18,168</b>	<b>19,374</b>	<b>26</b>	<b>22,304</b>	<b>23,510</b>	<b>106.6%</b>	<b>(1,206)</b>



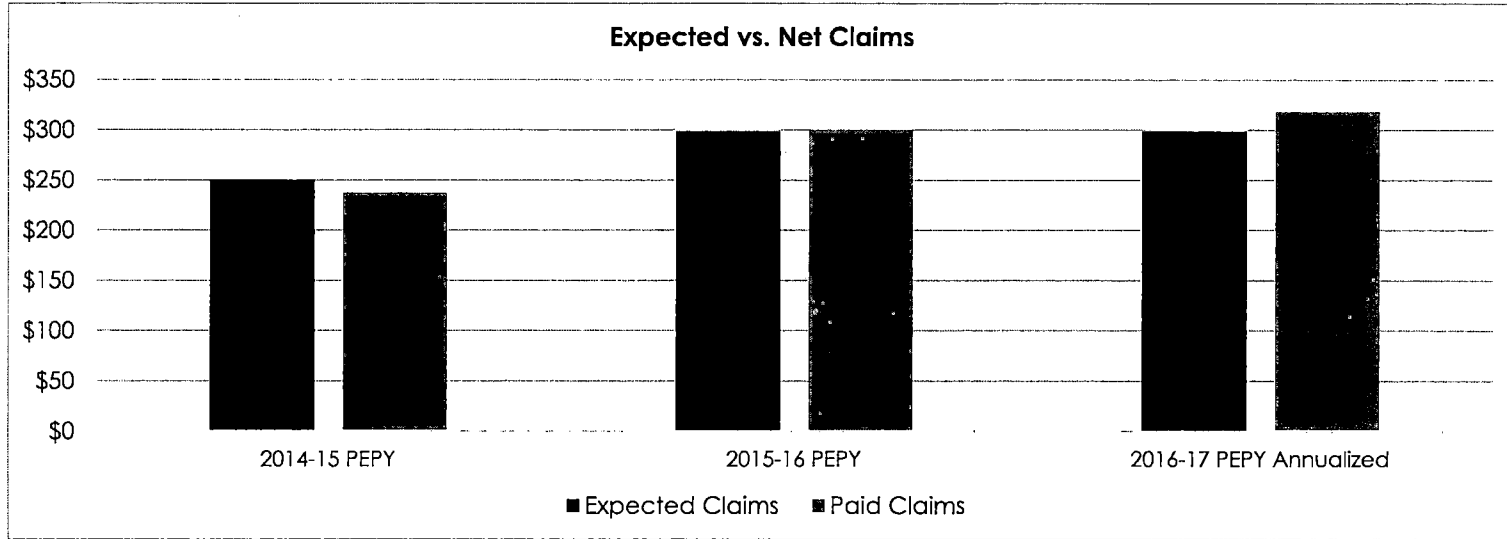
**ABC Company  
Dental Plan - Guardian  
2015-16 Cost Summary**



	Enrollment	Fixed Costs	Claims		Claims / Ee	Total Plan Costs		Position	
	(1)	(2)	(3)	(4)		(6) = 2+3	(7) = 2+4	(8) = 4/3	(9) = 6-7
	Total Ees	Administration	Expected Claims	Paid Dental Claims		Expected	Actual	Claims / Expected	Expected to Actual Costs
Apr-15	216	1,220	5,361	679	3	6,582	1,899	12.7%	4,682
May-15	217	1,226	5,386	4,867	22	6,612	6,093	90.4%	519
Jun-15	222	1,254	5,510	7,305	33	6,764	8,559	132.6%	(1,795)
Jul-15	219	1,237	5,436	10,566	48	6,673	11,803	194.4%	(5,130)
Aug-15	218	1,232	5,411	8,560	39	6,642	9,792	158.2%	(3,149)
Sep-15	226	1,277	5,609	4,883	22	6,886	6,160	87.1%	726
Oct-15	228	1,288	5,659	4,638	20	6,947	5,926	82.0%	1,021
Nov-15	225	1,271	5,585	5,489	24	6,856	6,760	98.3%	96
Dec-15	230	1,300	5,709	4,784	21	7,008	6,084	83.8%	925
Jan-16	237	1,339	5,882	4,981	21	7,221	6,320	84.7%	901
Feb-16	241	1,362	5,982	5,340	22	7,343	6,702	89.3%	642
Mar-16	247	1,396	6,131	5,805	24	7,526	7,201	94.7%	326
<b>Totals</b>	<b>2,726</b>	<b>15,402</b>	<b>67,659</b>	<b>67,897</b>	<b>25</b>	<b>83,061</b>	<b>83,299</b>	<b>100.4%</b>	<b>(238)</b>



**ABC Company  
Dental Plan  
Historical Cost Summary**

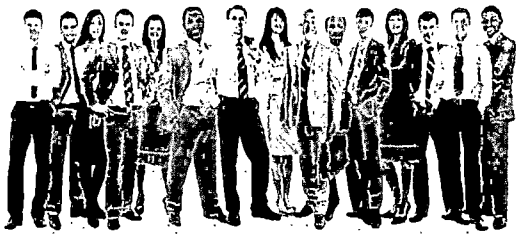


Time Period	Average Employees	Expected Claims	Paid Claims	Claims/Expected	Admin Costs	Total Plan Costs
2014-15 Plan Year	229	57,158	54,279	95.0%	15,366	69,645
2015-16 Plan Year	227	67,659	67,897	100.4%	15,402	83,299
2016-17 Annualized	244	72,673	77,496	106.6%	16,543	94,039

Time Period	Expected Claims	Change from Prior Year	Paid Claims	Change from Prior Year	Admin Costs	Change from Prior Year
2014-15 PEPY	250	n/a	237	n/a	67	n/a
2015-16 PEPY	298	19.3%	299	26.1%	68	1.0%
2016-17 PEPY Annualiz	298	0.0%	318	6.3%	68	0.0%

**Notes**

1. The current year is annualized through June.
2. PEPY = Per Employee Per Year



Section IV

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Benefit Resource Center Report

# ABC Company Benefit Resource Analysis

The Benefit Resource Center is available to all of your employees. Call us today and let us know how we can help you answer any questions you may have about your employee benefit programs.

WE PRIDE OURSELVES ON THE STRENGTHS OF THE RELATIONSHIPS WE BUILD WITH OUR CLIENTS.

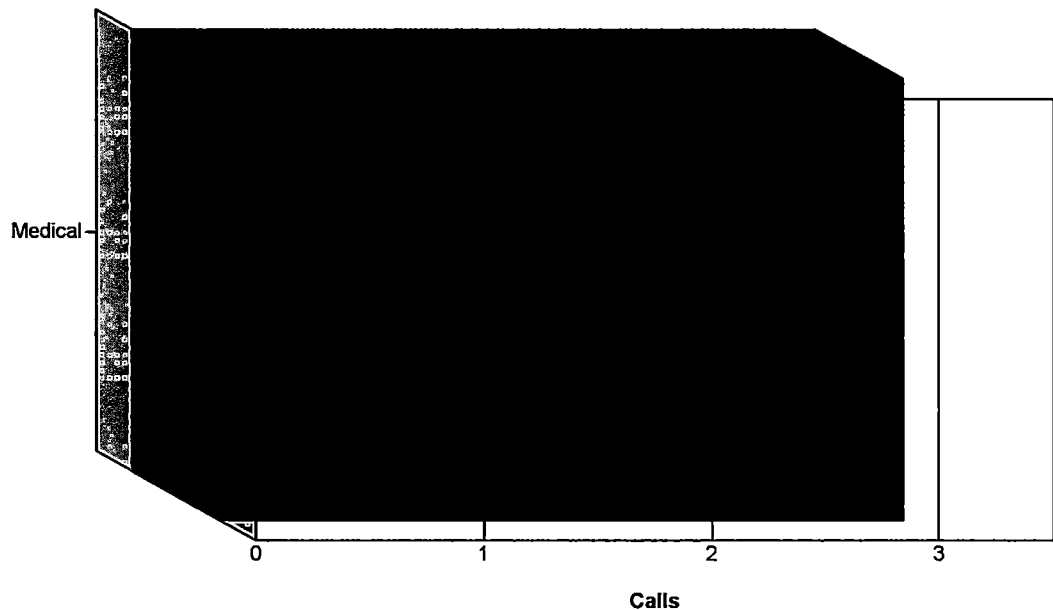
Our Benefit Resource Center is designed to provide you and your employees with a responsive, consistent, hands-on approach to benefit inquiries. Our Benefit Specialists are available to research and solve claim problems, billing and eligibility issues, and any other problems with which you might need assistance.

The Specialists in the Benefit Resource Center are available Monday through Friday. If you and your employees need assistance outside of regular business hours (Pacific Time), please leave a message and one of our Benefit Specialists will promptly return your call or email message by the following business day.

Please feel free to contact our Benefit Specialists with any claims or benefit inquiries you may have toll free at 1-866-4ourBRC (1-866-468-7272) or email [4ourBRC@kpcor.com](mailto:4ourBRC@kpcor.com).

## ABC Company BRC Utilization

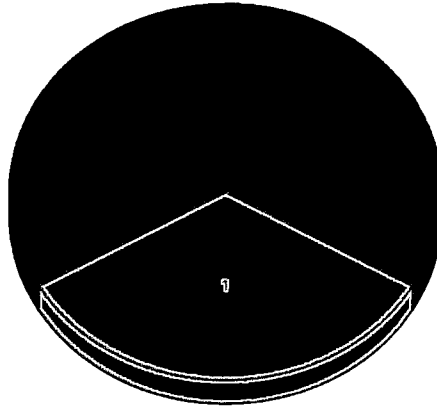
1/1/2014 through the Present



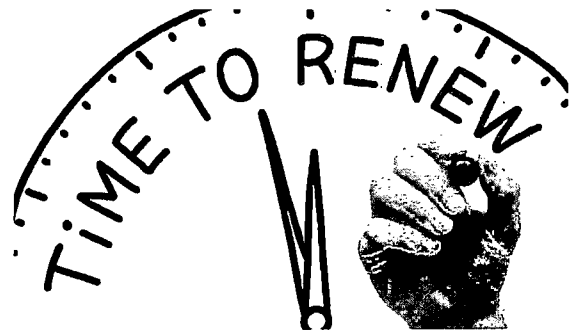
PLAN INQUIRY REVIEW

**Medical Other**

Following is a summary of the administrative (non-claims related) inquiries, broken down by Coverage Detail, from the members of ABC Company plan:



Other	1
Eligibility	1
Hospital Care	1
Total	3



Section V  
Renewal Timeline

---



# Benefits Renewal Timeline for ABC Company

April 01, 2017

## PRE-RENEWAL

Action	Responsibility	Due Week of	Date Completed
Request Employee Census	USI	10/31/2016	
Receive Employee Census	ABC Company/ USI	11/14/2016	
Pre-Renewal Meeting	ABC Company/ USI	11/14/2016	

## MARKETING

Action	Responsibility	Due Week of	Date Completed
Renewal Letter Sent	Carriers / USI	12/05/2016	
Request for Proposal Sent to Market*	USI	12/05/2016	
Proposals Received from Market*	USI	12/19/2016	
Renewal / Analysis Meeting	ABC Company/ USI	12/26/2016	

## IMPLEMENTATION

Action	Responsibility	Due Week of	Date Completed
Carrier/Benefit Decisions Due	ABC Company	01/02/2017	
Enrollment Material	USI	01/09/2017	
Employee Meetings	USI	01/16/2017	
Open Enrollment Paperwork Complete	ABC Company/ USI	01/30/2017	
Enrollment Complete	USI	03/27/2017	

## POST-RENEWAL

Action	Responsibility	Due Week of	Date Completed
Post-Renewal Meeting	ABC Company/ USI	05/13/2017	
Creditable Coverage Reminder	USI	05/16/2017	
Creditable Coverage Notification to CMS	ABC Company	05/29/2017	

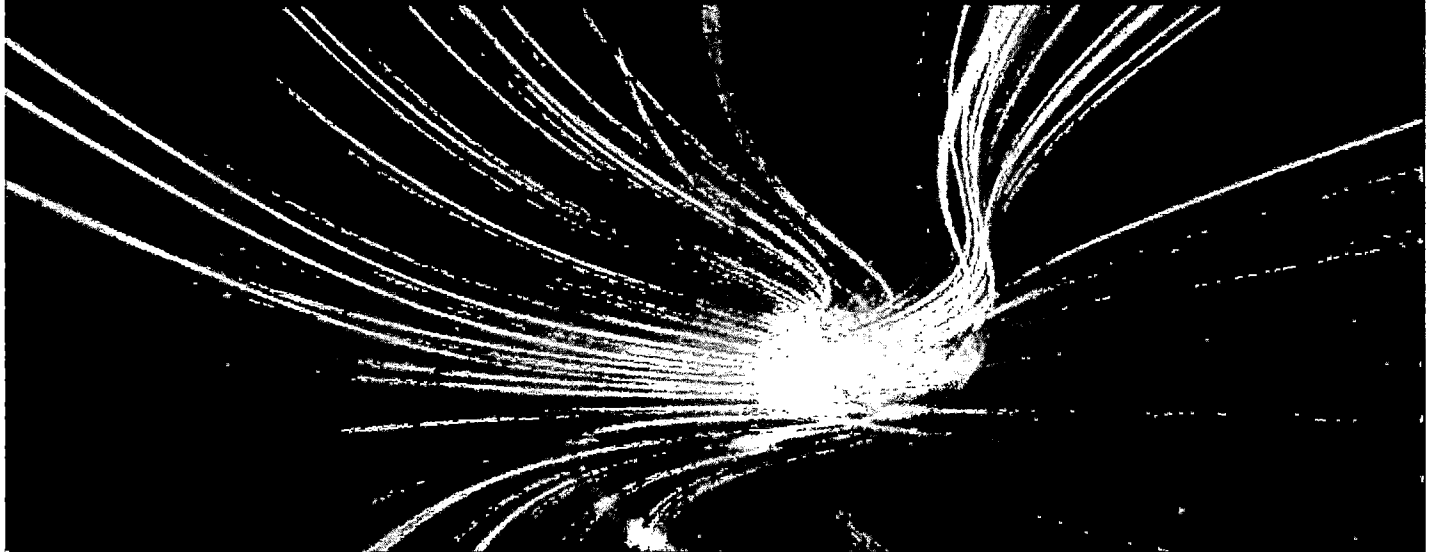
\* If deemed to be necessary

# ○ APPENDIX II – SAMPLE 3D REPORTING





USI 3D Report | Data Drives Decisions



*Prepared for*

# USI 3D Sample Report

Reporting Period: January 2015-December 2017

*Prepared by*





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**4. Individual Claimant Risk ..... 7**

**5. Prescription Drug Key Statistics ..... 8**

**6. Top 10 Prescription Drugs ..... 10**

**7. Disease Fingerprint ..... 12**

**8. Wellness Opportunities ..... 13**

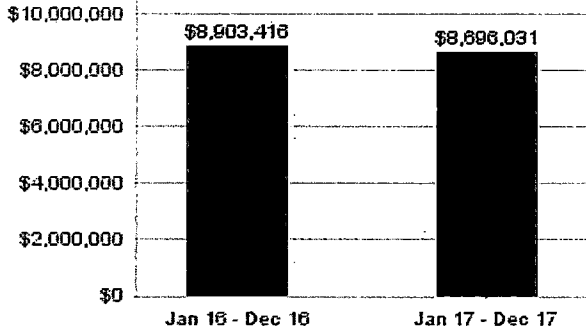
**9. Cardiac ..... 14**

**10. Diabetes ..... 15**

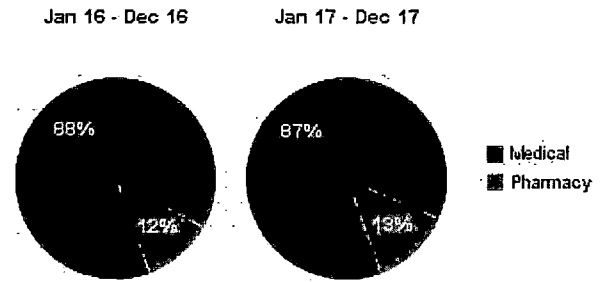


# 1. Overview

**Total Claims**



**Total Expenses**



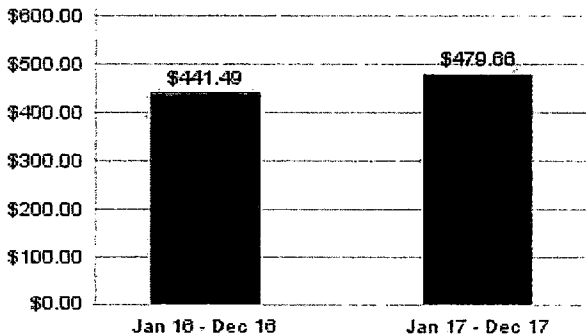
Expenses	Jan 16 - Dec 16	Jan 17 - Dec 17	Variance
Medical	\$7,868,671	\$7,547,895	-4.1%
Pharmacy	\$1,034,745	\$1,148,136	11.0%
<b>Total</b>	<b>\$8,903,416</b>	<b>\$8,696,031</b>	<b>-2.3%</b>

Expenses	Jan 16 - Dec 16	Jan 17 - Dec 17	Variance
Claims for Members age 65 and Over	\$248,941	\$864,152	247.1%

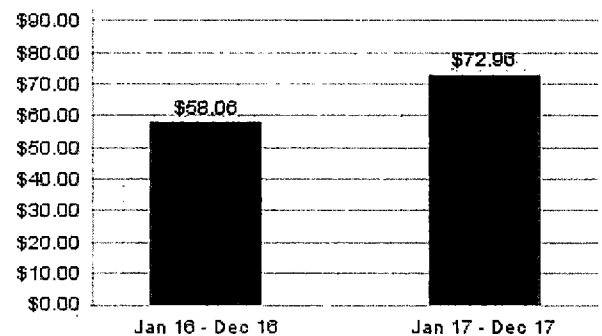
Member Months	Jan 16 - Dec 16	Jan 17 - Dec 17	Variance
Member Months	17,823	15,736	-11.7%

Plan Paid PMPM	Jan 16 - Dec 16	Jan 17 - Dec 17	Variance
Medical	\$441.49	\$479.66	8.6%
Pharmacy	\$58.06	\$72.96	25.7%
<b>Total</b>	<b>\$499.55</b>	<b>\$552.62</b>	<b>10.6%</b>

**Medical Plan Paid PMPM**



**Pharmacy Plan Paid PMPM**

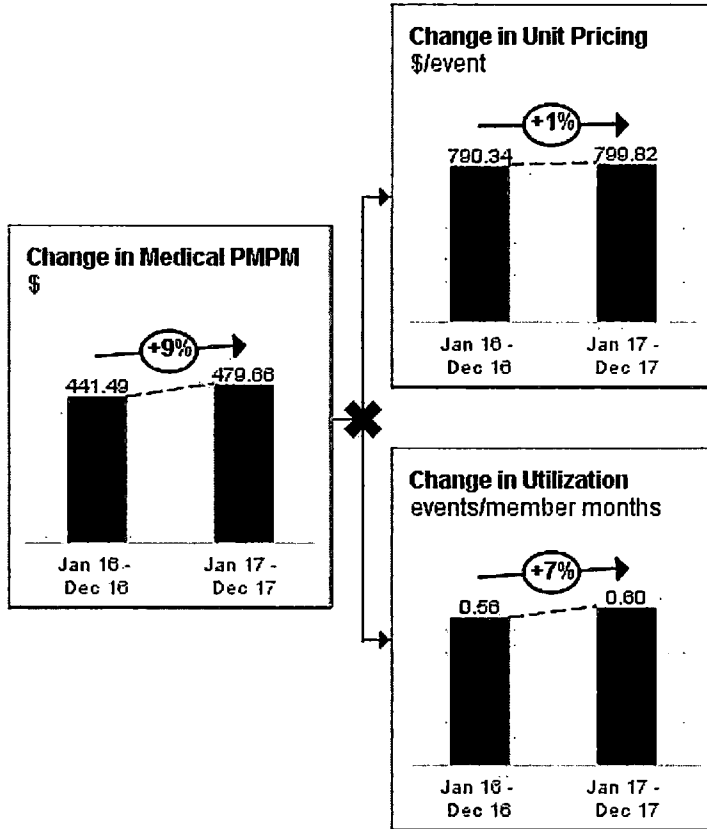


**Notes**

1. PMPM stands for Per Member Per Month and PEPEY stands for Per Employee Per Year



## Medical Expense Growth over Time



**Changes in unit pricing** are typically a function of overall medical inflation, Payer discount power, and the amount of services that are delivered in-network versus out-of-network. Payer contracting is the primary lever to control this cost driver.

**Changes in utilization** are typically a function of the overall disease burden of a population, benefits design and physician referral patterns. Disease and Wellness management programs, rational benefits structuring, and close network management are the primary levers to control this cost driver.

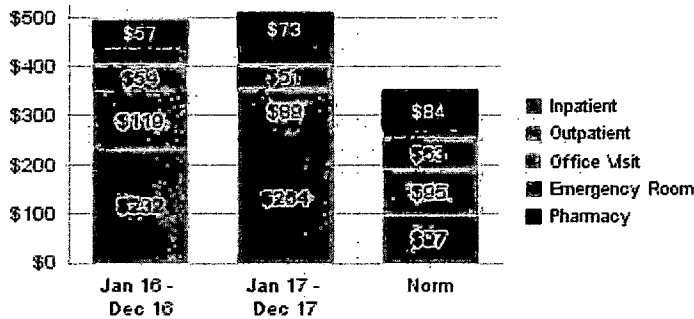
### Notes

1. Change in Medical PMPM is product of Change in Unit Pricing (\$/events) and Change in Utilization (events/member months)



## 2. Utilization Metrics

Claims by Place of Service



Demographics	Jan 16 - Dec 16	Jan 17 - Dec 17	Norm	Variance from Norm
Current Employees	865	718	-	-
Current Members	1,418	1,210	-	-
Average Age	29.4	28.5	35.4	-19.4%
% Male	47.0%	47.9%	48.4%	-0.9%
% Employee Paid	16.1%	15.0%	14.6%	3.0%

Plan Paid PMPM	Jan 16 - Dec 16	Jan 17 - Dec 17	Norm	Variance from Norm
Inpatient	\$231.56	\$264.26	\$96.91	172.7%
Outpatient	\$119.35	\$89.36	\$95.48	-6.4%
Office Visit	\$54.36	\$51.09	\$63.37	-19.4%
Emergency Room	\$32.37	\$33.69	\$13.47	150.2%
Pharmacy	\$57.44	\$72.57	\$84.48	-14.1%
<b>Total</b>	<b>\$495.07</b>	<b>\$510.97</b>	<b>\$353.71</b>	<b>43.5%</b>

Key Medical Utilization	Jan 16 - Dec 16	Jan 17 - Dec 17	Norm	Variance from Norm
<b>Inpatient</b>				
Admits Per 1000	91.6	97.6	56.4	73.2%
Average Length Of Stay	4.7	7.3	4.0	82.4%
<b>Emergency Room</b>				
Visits Per 1000	527.9	520.1	226.8	129.3%
Visits Resulting in Admission	9.1%	11.6%	11.2%	3.2%
Average Paid Per Visit	\$1,475.21	\$1,513.86	\$1,381.38	9.6%
Office Visits Per 1000	3,952	3,909	4,463	-12.4%
Preventive Visits Per 1000	823.4	706.9	573.6	23.2%

Network Utilization and Discounts	Jan 16 - Dec 16	Jan 17 - Dec 17
% Claims Paid in Network	98.9%	98.2%

### Notes

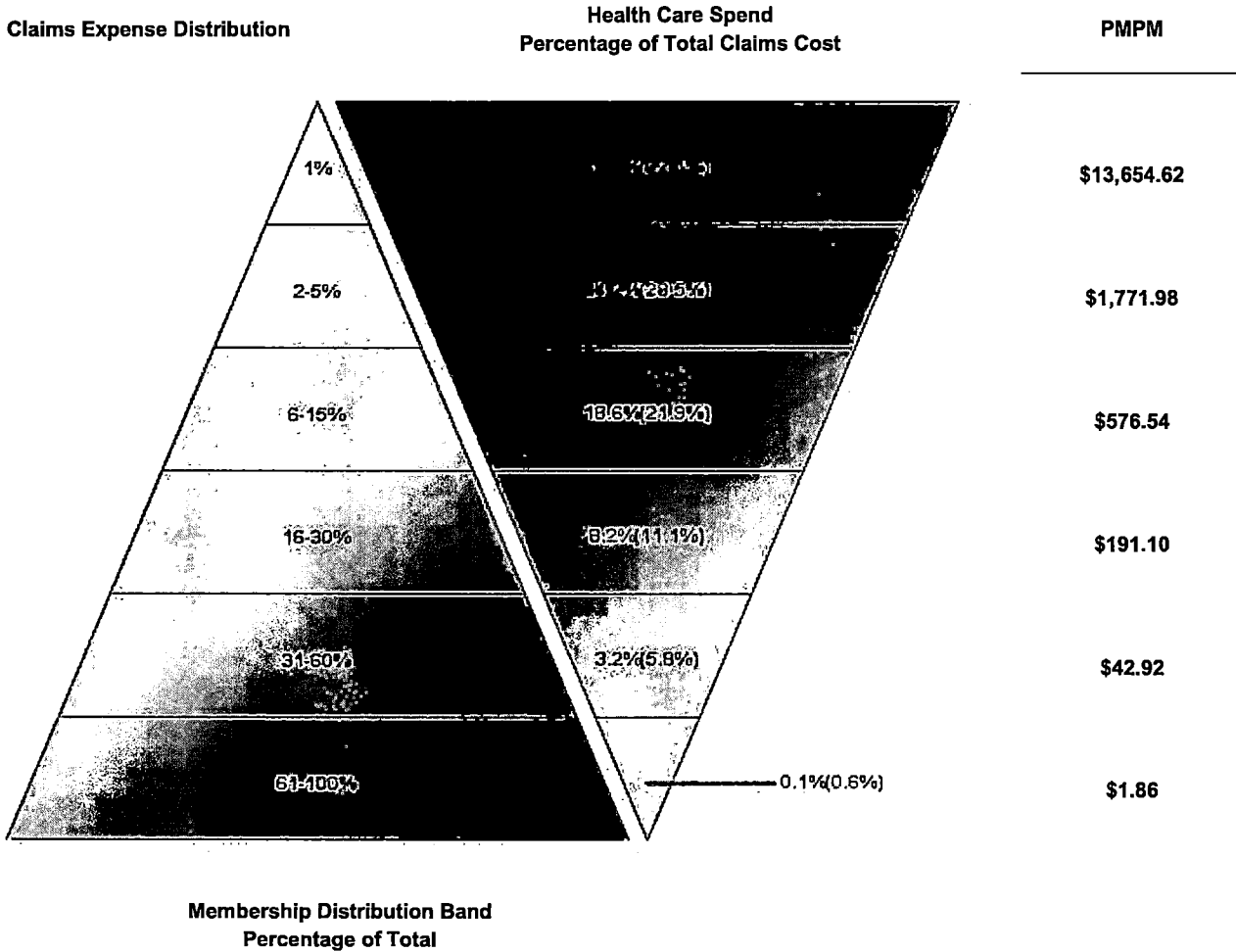
1. Norm based on Vercend's Commercial Normative Database.
2. Emergency Room visits resulting in an admission is calculated using Number of ER visits resulting admission/ Total ER visits.



### 3. Claims Expense Distribution

**Health Care Spend  
Percentage of Total Claims Cost**

Member Distribution	No of Members	Total Costs	Avg. Cost per Member	Cost Distribution	
				Actual	Norm
1%	33	\$10,732,532	\$325,228	45.7%	32.1%
2-5%	132	\$5,688,055	\$43,091	24.2%	28.5%
6-15%	329	\$4,373,644	\$13,294	18.6%	21.9%
16-30%	494	\$1,927,448	\$3,902	8.2%	11.1%
31-60%	987	\$759,251	\$769	3.2%	5.8%
61-100%	1,317	\$21,728	\$16	0.1%	0.6%
<b>Total</b>	<b>3,292</b>	<b>\$23,502,658</b>	<b>\$7,139</b>	<b>100.0%</b>	<b>100.0%</b>



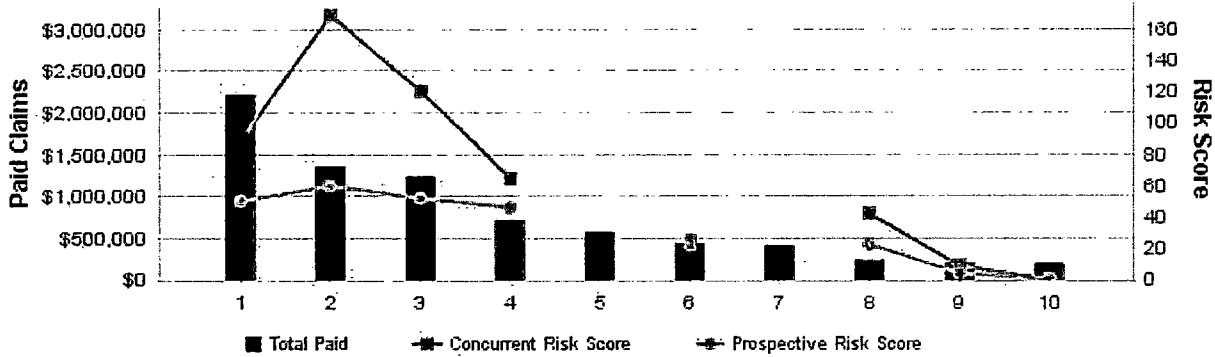
**Notes**

1. Norm based on Verscend's Commercial Normative Database.
2. Numbers within the parenthesis reflect the Verscend's Norm values.



## 4. Individual Claimant Risk

Top 10 Claimants by Total Paid



Top 10 Claimants by Total Paid

Highest Paid Diagnosis	Currently Enrolled	Age	Relationship	Total Paid	Concurrent Risk Score	Prospective Risk Score
1 Misc Wounds and Injuries	N	39	E	\$2,219,349	88.82	50.43
2 Newborn Care	Y	0	D	\$1,368,237	168.94	60.13
3 Colorectal Cancer	N	48	S	\$1,240,846	120.38	52.33
4 Atherosclerosis	N	65	E	\$721,368	64.76	46.35
5 Newborn Care	U	1	D	\$580,416	-	-
6 Cancer Therapies	Y	54	E	\$447,022	23.03	26.17
7 Misc Symptoms	U	0	D	\$422,256	-	-
8 Colorectal Cancer	Y	48	S	\$241,274	42.18	22.75
9 Abdominal Pain	Y	29	S	\$206,073	9.09	4.46
10 Diabetes Mellitus	Y	58	E	\$202,924	0.07	0.61

Top 10 Claimants by Prospective Risk Score

Highest Paid Diagnosis	Currently Enrolled	Age	Relationship	Total Paid	Prospective Risk Score	Concurrent Risk Score
1 Newborn Care	Y	0	D	\$1,368,237	60.13	168.94
2 Colorectal Cancer	N	48	S	\$1,240,846	52.33	120.38
3 Misc Wounds and Injuries	N	39	E	\$2,219,349	50.43	88.82
4 Atherosclerosis	N	65	E	\$721,368	46.35	64.76
5 Renal Failure	Y	33	E	\$140,580	46.34	32.82
6 Diabetes Mellitus	Y	50	S	\$19,001	45.15	42.46
7 Cancer Therapies	Y	54	E	\$447,022	26.17	23.03
8 Musculoskeletal Disorders	Y	25	E	\$11,783	24.20	26.09
9 Colorectal Cancer	Y	48	S	\$241,274	22.75	42.18
10 Misc Examinations	Y	32	E	\$44,797	14.27	8.58

### Notes

1. Concurrent risk score measures current \*risk of a population.
2. Prospective risk score looks back at the last 12 months to predict the risk of a population in next 12 months.
3. These risk scores are \*\*normalized to a dataset comprised of over 32 million lives.

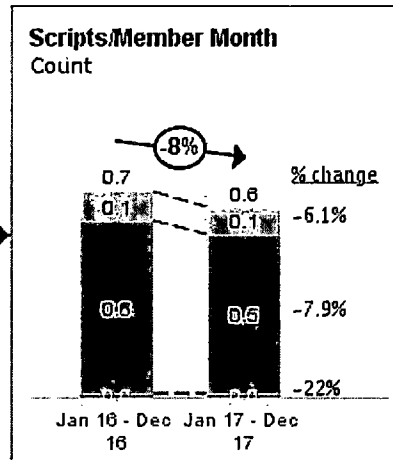
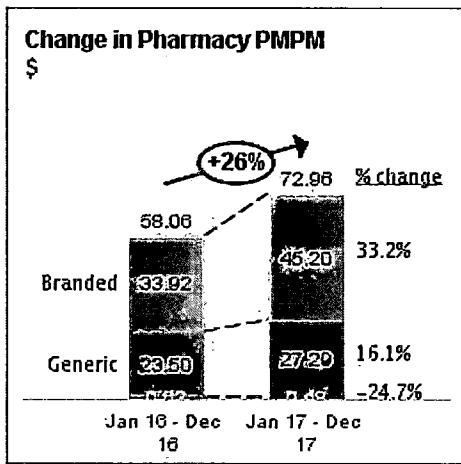
\* Illness burden

\*\*The normalizing process entails adjusting each member's relative risk score (RRS = cost converted to a score) to ensure the overall average RRS is 1.00, which represents the average annual cost for a member in a benchmark population.

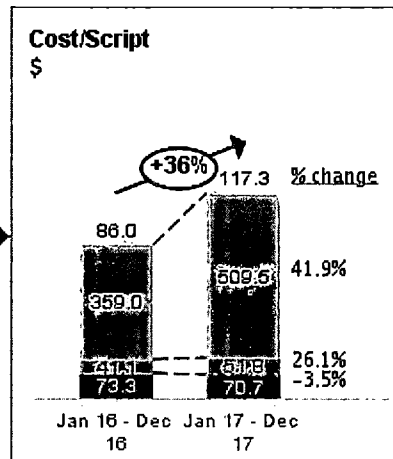


## 5. Prescription Drug Key Statistics

### Pharmacy Expenses



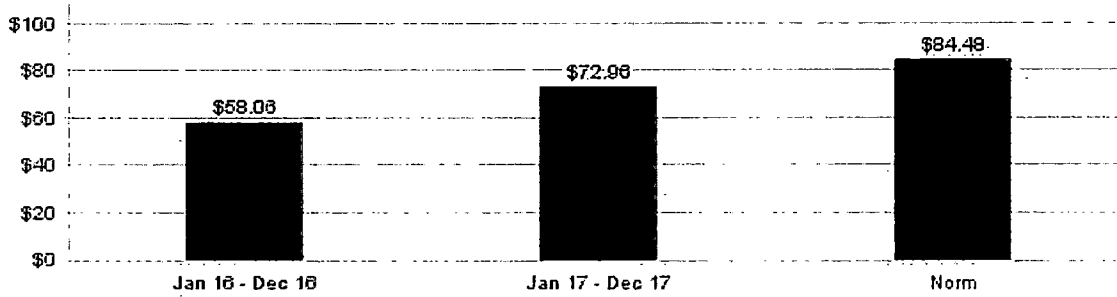
Changes in scripts per member reflect overall intensity of care and member compliance. Overall trends in volume are less important than the change on the ratios between branded and generic drugs.



Changes in cost/script reflect overall pharmaceutical industry pricing trends. This cost driver is best controlled through strong PBM contracting and tight formulary control.



**Pharmacy Paid PMPM**

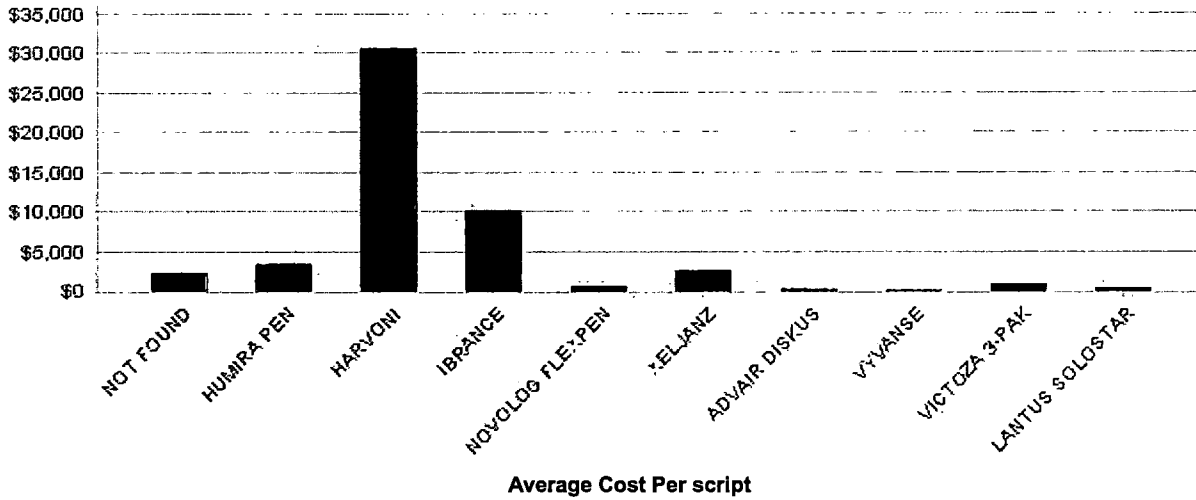


Prescription Drug Key Stats	Jan 16 - Dec 16	Jan 17 - Dec 17	Norm
Pharmacy Paid PMPM	\$58.06	\$72.96	\$84.48
Scripts per 1000 Members	8,045.1	7,307.8	10,254.5
Generic Fill Rate	85.9%	85.4%	83.9%
Mail Order	17.1%	19.4%	17.8%



## 6. Top 10 Prescription Drugs

Top 10 Prescriptions by Total Paid

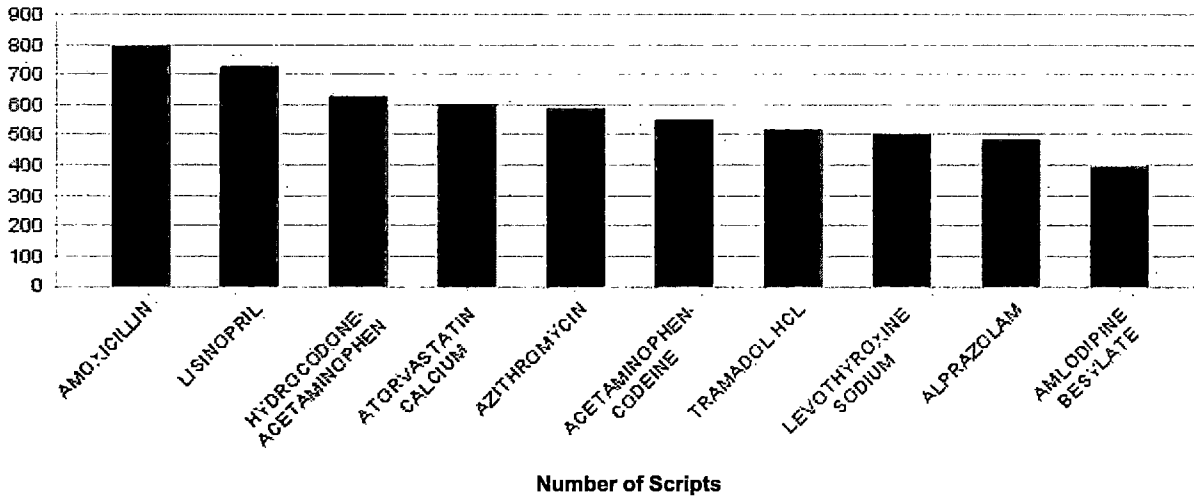


Top 10 Prescriptions by Total Paid

Drug Name	Rx Class	Generic	Total Paid	Prescription Count (incl. Non-Drug items)	Average Cost per Script
NOT FOUND	Unknown - Blank	Y	\$382,414	161	\$2,375
HUMIRA PEN	DMARD - Anti-inflammatory Tumor Necrosis Factor Inhibiting Agents	N	\$95,049	27	\$3,520
HARVONI	Hepatitis C Therapy Combinations	N	\$91,826	3	\$30,609
IBRANCE	Antineoplastic - Systemic Enzyme Inhibitors	N	\$82,347	8	\$10,293
NOVOLOG FLEXPEN	Insulin - Human and Analogs, Short or Rapid Acting	N	\$77,820	102	\$763
XELJANZ	Disease Modifying Anti-Rheumatoid Drugs (DMARD)	N	\$60,466	22	\$2,748
ADVAIR DISKUS	Asthma/COPD Therapy Combinations	N	\$56,274	160	\$352
VYVANSE	Attention Deficit-Hyperact Disorder (ADHD) Therapy	N	\$48,854	225	\$217
VICTOZA 3-PAK	Injectable Antidiabetic Agents	N	\$47,642	48	\$993
LANTUS SOLOSTAR	Insulin - Human and Analogs, Long Acting	N	\$45,439	88	\$516



**Top 10 Prescriptions by Number of Scripts**



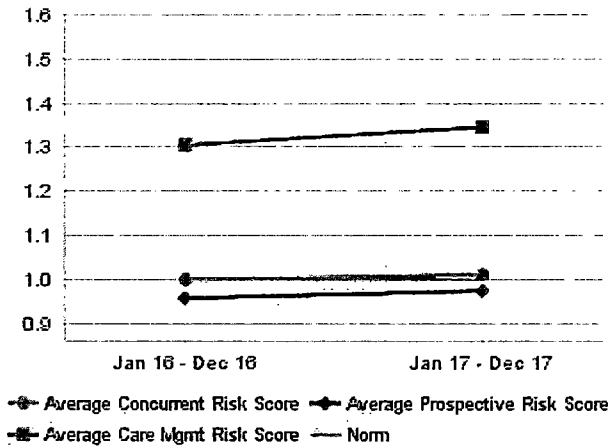
**Top 10 Prescriptions by Number of Scripts**

Drug Name	Rx Class	Generic	Total Paid	Prescription Count (incl. Non-Drug items)	Average Cost per Script
AMOXICILLIN	Penicillin Antibiotics	Y	\$941.59	795	\$1.18
LISINOPRIL	ACE Inhibitors and ACE Inhibitor Combinations	Y	\$1,285.60	727	\$1.77
HYDROCODONE/ACETAMINOPHEN	Analgesic Narcotic Hydrocodone Combinations	Y	\$8,076.04	629	\$12.84
ATORVASTATIN/CALCIUM	Antihyperlipidemics	Y	\$1,121.85	602	\$1.86
AZITHROMYCIN	Macrolide Antibiotics and Combinations	Y	\$2,086.81	587	\$3.56
ACETAMINOPHEN/CODEINE	Analgesic Narcotic Agonist Combinations	Y	\$864.50	552	\$1.57
TRAMADOL HCL	Analgesic Narcotic Agonists and Combinations	Y	\$162.23	519	\$0.31
LEVOTHYROXINE SODIUM	Thyroid Hormones and Combinations	Y	\$3,949.94	501	\$7.88
ALPRAZOLAM	Antianxiety Agents	Y	\$408.92	486	\$0.84
AMLODIPINE BESYLATE	Calcium Channel Blockers	Y	\$546.79	395	\$1.38

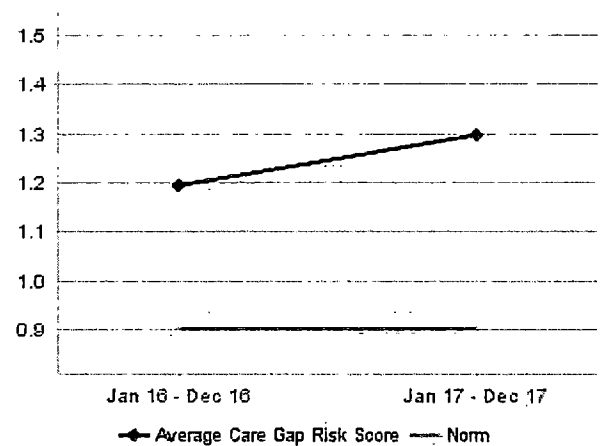


## 7. Disease Fingerprint

**Relative Risk Score**



**Care Gap Index**



Quality & Risk	Jan 16 - Dec 16	Jan 17 - Dec 17	Norm
Average Care Gap Index	1.20	1.30	0.90
Average Concurrent Risk Score	1.00	1.01	1.00
Average Prospective Risk Score	0.96	0.97	1.00
Average Care Mgmt Risk Score	1.30	1.35	1.00

### Top 5 Diseases by # of Members

Disease	Actual # of Members	Actual Members Per 1000	Norm Members Per 1000	Total Paid	PMPY Actual	PMPY Norm
Hypertension	288	203.2	174.4	\$8,507,479	\$14,702	\$12,523
Hyperlipidemia	227	160.2	157.8	\$4,382,340	\$9,639	\$10,753
Back Pain	224	158.0	170.2	\$5,843,722	\$13,264	\$10,506
Diabetes	160	112.9	72.7	\$5,341,566	\$17,629	\$15,290
Asthma	109	76.9	42.7	\$1,588,893	\$7,782	\$11,062

### Top 5 Diseases by Paid PMPY

Disease	Actual # of Members	Actual Members Per 1000	Norm Members Per 1000	Total Paid	PMPY Actual	PMPY Norm
Premature Infants	5	3.5	1.5	\$784,827	\$1,883,584	\$95,583
Ventilator Dependence	4	2.8	0.8	\$2,016,780	\$432,167	\$162,415
Immune Disorders	11	7.8	5.6	\$3,161,610	\$207,319	\$63,447
Coagulopathy	11	7.8	6.1	\$3,319,147	\$159,319	\$59,132
Chronic Renal Failure	17	12.0	8.6	\$4,804,797	\$133,776	\$43,567

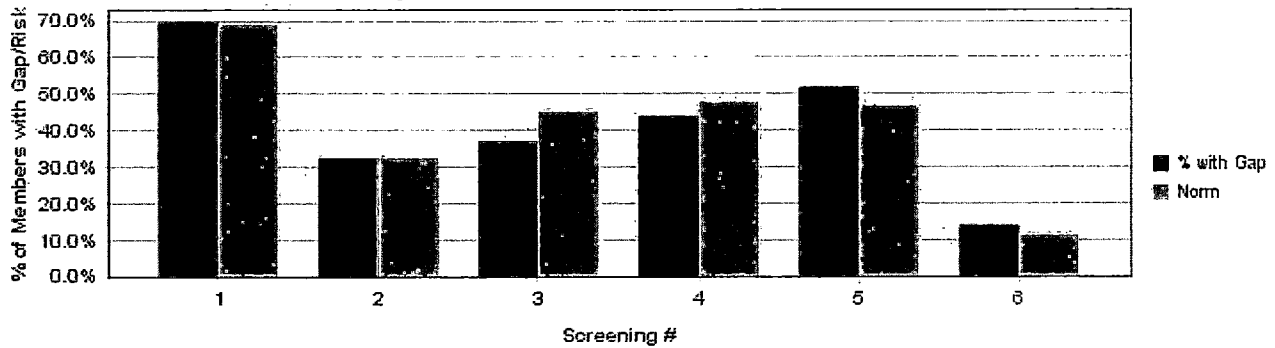
### Notes

1. Concurrent risk score measures current risk of illness burden.
2. Prospective risk score predicts risk in the next 12 months.
3. Care management risk score measures the need for care management services.
4. Average Risk Score are calculated based on individuals risk scores normalized to book of business.



## 8. Wellness Opportunities

Gaps in Preventive Care Coverage vs. Norm



Screening #	Gender	Age Group	# of Members	Gap in Preventive Care Description	With Gap	% With Gap	Norm
1	Both	>=50 years	99	Members without any colorectal cancer screening in the last 24 months	69	69.7%	68.9%
2	Both	All Individuals	1,210	Patients without long office visits in the last 12 months	392	32.4%	32.5%
3	Male	>=50 years	46	Men without PSA level in the last 2 years.	17	37%	45.3%
4	Female	>20 years	294	Women aged 20 years or greater without Pap test in the last two years	129	43.9%	48%
5	Female	>=49 years	54	Women without mammogram in last 12 months.	28	51.9%	46.8%
6	Both	All	993	Individuals without any claim in the last 12 months.	139	14%	11.2%

### Notes

The key to preventing potentially debilitating and catastrophic claims is timely follow-up with age and gender-related screenings.

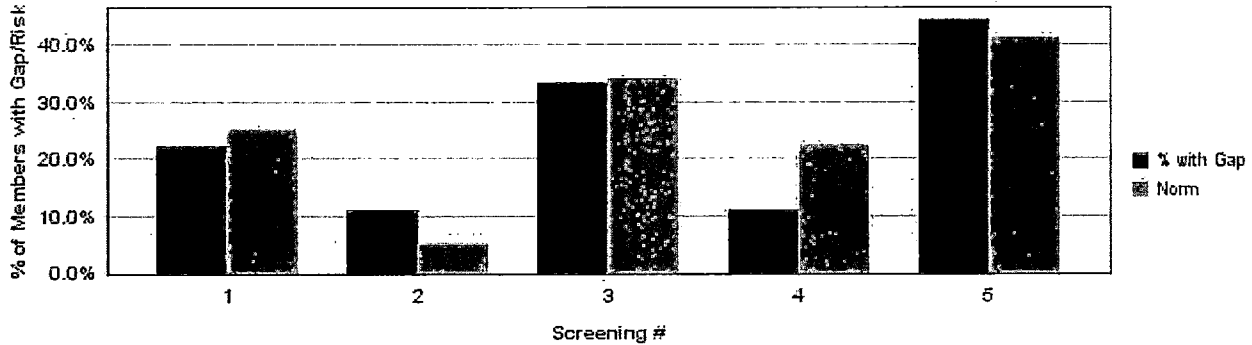
USI recommends the following:

- Partner with carrier to promote education preventive screenings.
- Partner with wellness vendor to promote education of preventive screenings.
- Consider eventually moving to a premium contribution differential tied to wellness scorecard that includes completion of age and gender-specific screenings.



## 9. Cardiac

Gaps in Cardiac Care vs. Norm



Screening #	Gender	Age Group	# of Members	Gap in Preventive Care Description	With Gap	% With Gap	Norm
1	Both	All	9	Members without lipid profile test in the last 12 months.	2	22.2%	25.2%
2	Both	All	9	Patients without long office visit in the last 12 months.	1	11.1%	5.4%
3	Both	All	9	Patients without diabetes screening in the last 12 months.	3	33.3%	34.1%
4	Both	All	9	Members without antihyperlipidemic drugs in the last 12 months.	1	11.1%	22.5%
5	Both	All	9	Patients without ACE or ARB in the last 12 months.	4	44.4%	41.3%

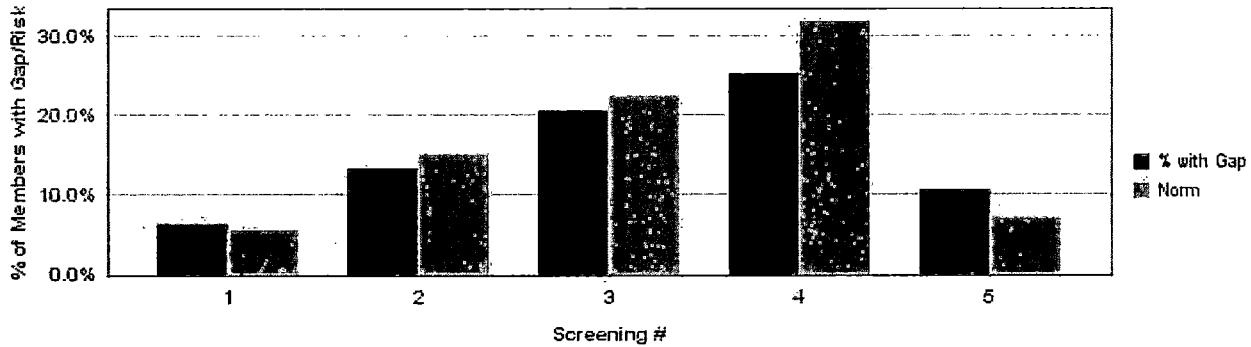
### Notes

1. Individuals who have existing cardiovascular disease are twice as likely to have a repeat event as anyone else is to have a first event.
2. Keys to prevention for a repeat cardiac event include: compliance with medications, no tobacco use and lifestyle modifications.
3. USI Recommends the following:
  - Incent members with a history of heart disease to complete a semi-annual lipid profile. The secondary tests should be managed by a wellness vendor, with the data forwarded to the PCP and the cardiologist.
  - Partner with wellness vendor to promote education for cardiovascular disease.
  - Consider removing all co-pays for prevention-related medications.
  - Consider promoting tobacco cessation programs. Program components may include: tobacco affidavits, tobacco cessation programs and reimbursement for physician approved tobacco cessation medications.
  - Consider promoting lifestyle modification programs around nutrition and physical activity. If the company offers an on-site cafeteria or vending area, consider offering a subsidy (discount) for healthy eating options. Additionally, the company may want to support physical activity through walking challenges or gym membership subsidies.



# 10. Diabetes

Gaps in Diabetes Care vs. Norm



Screening #	Gender	Age Group	# of Members	Gap in Preventive Care Description	With Gap	% With Gap	Norm
1	Both	All	78	Patients with renal failure.	5	6.4%	5.7%
2	Both	All	75	Members without HbA1c test in the last 12 months.	10	13.3%	15.1%
3	Both	All	73	Members without lipid profile test in the last 12 months.	15	20.5%	22.5%
4	Both	All	75	Members without micro or macroalbumin screening test in the last 12 months.	19	25.3%	31.9%
5	Both	All	75	Patients without long office visit in the last 12 months.	8	10.7%	7.2%

### Notes

1. Individuals who have existing diabetes need to manage their glucose in order to prevent complications such as heart disease, kidney disease, blindness and amputations.
2. Keys to managing diabetes include: compliance with medications, proper diet, exercise and no tobacco use.
3. USI Recommends the following:
  - Incent members with a history of diabetes or diabetes to complete, at a minimum, semi-annual HbA1c and lipid profile tests. The secondary tests should be managed by a wellness vendor, with the data forwarded to the PCP and appropriate specialists.
  - Partner with wellness vendor to promote on-going diabetes education.
  - Consider removing all co-pays for prevention-related medications and all glucose testing supplies.
  - Consider promoting lifestyle modification programs around nutrition and physical activity. If the company offers an on-site cafeteria or vending area, consider offering a subsidy (discount) for healthy eating options. Additionally, the company may want to support physical activity through walking challenges or gym membership subsidies.
  - Consider promoting tobacco cessation programs. Program components may include: tobacco affidavits, tobacco cessation programs and reimbursement for physician approved tobacco cessation medications.

# APPENDIX III – SAMPLE STEWARDSHIP REPORT



SAMPLE – ABC COMPANY

# 2021 STEWARDSHIP STRATEGY/PLANNING MEETING

2021

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# Agenda

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- 2020 year in review
- Vendor review
- Company overview
- ABC Company benefits philosophy
- Long-term planning (three to five years)
- Market trends
- Service calendar
- Additional USI services
- Review of USI relationship
- Miscellaneous



# Year in review: 2020

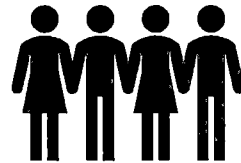
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- ABC Company accomplishments
  - Financial savings
  - Planning goals achieved
  - Enhancements to plan

# Organizational outlook for 2020-2021



What should we know about your business in 2021 and beyond?



Do you have organic growth or acquisition plans?  
Firm restructuring?  
Leadership changes?



Have you established your healthcare budget increase for 2021?



What were your employees' reactions to last year's renewal changes?



Are there any changes to your organization's risk tolerance that we should be aware of as we evaluate plan funding, stop-loss levels, etc.?

# Seven factors driving U.S. healthcare costs



**Increased Utilization**

Demand, new treatments, defensive medicine, and aging population with poor lifestyles



**Biologics and New Technologies**

Expensive drugs, technologies, services, and procedures to prolong/improve quality of life



**Pharmaceutical Costs**

More utilization, new and expensive medications, specialty drugs, fewer manufacturers that control price



**Medical Malpractice**

Higher insurance rates, practice of defensive medicine



**Aging Population**

Longevity dictates prolonged and increased healthcare costs



**Behavior and Lifestyle**

Choices leading to long-term chronic conditions and associated managing treatments

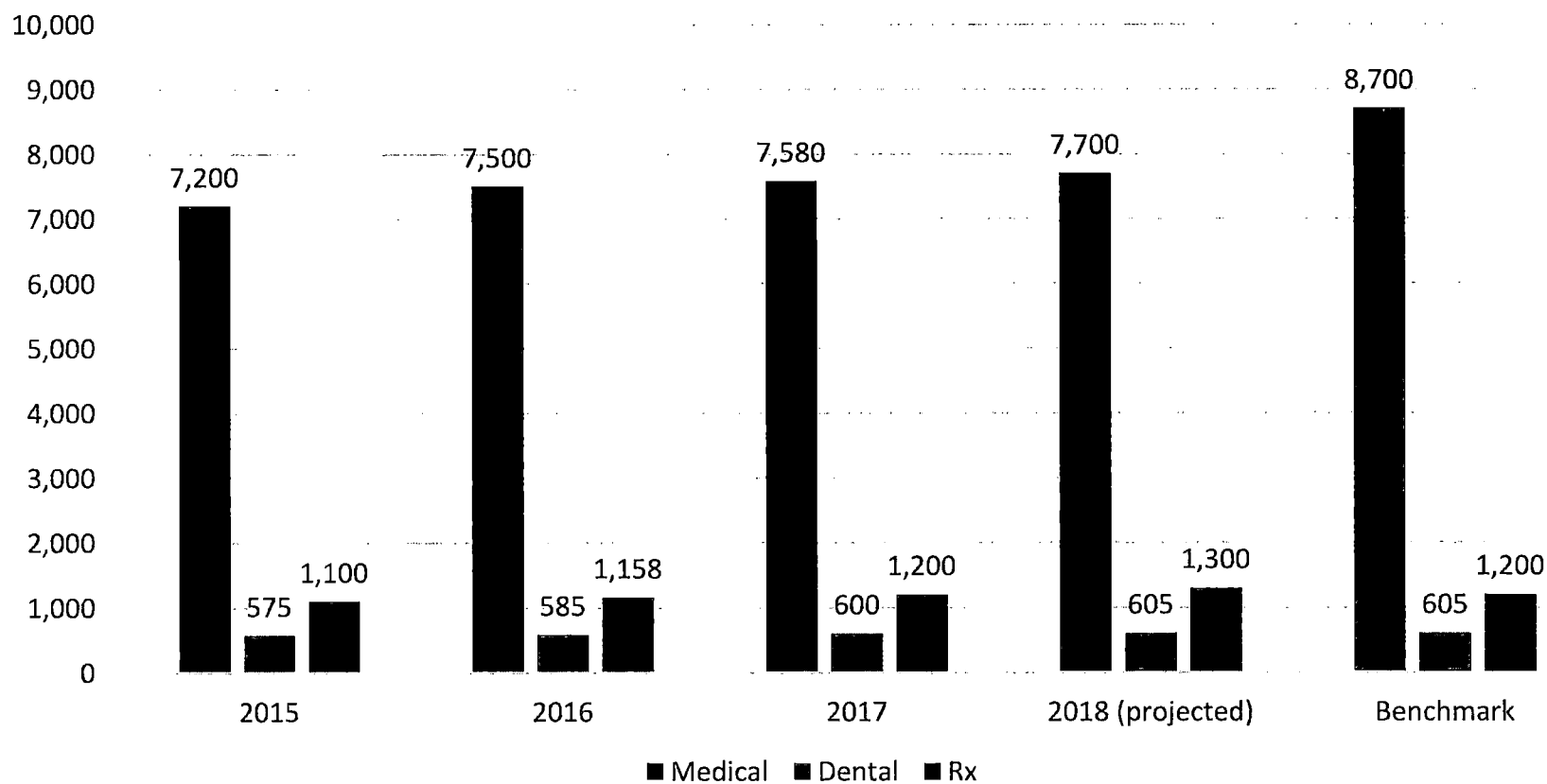


**System Inefficiencies**

Procedure duplications, preventable mistakes, unnecessary treatments and prescriptions, technological inefficiencies

# ABC Company historical plan costs

## Gross plan costs per employee



# Utilization review and wrap-up

## Medical plan(s)

Plan Costs	2019	2020	Benchmark
Total Paid Claims (med/Rx)	\$3,000,000	\$3,251,000	
Fixed Costs	\$500,000	\$543,000	
Gross CLIENT Cost PEPY	\$7,056.45	\$7,790.55	
% Change		10.4%	
Employee Contributions	\$750,000	\$800,000	
Net ABC Cost PEPY	\$5,544.35	\$6,147.84	

Inpatient Data	2019	2020	Benchmark
Admits per 1,000			60 - 65
Days per 1,000			225 - 275
Avg Length of Stay			3.9 - 4.3
Avg. cost per confinement			
Avg. cost per day			

Claim Distribution by Service	2019	2020	Benchmark
Inpatient Hospital	\$0	\$0	
Outpatient Hospital	\$0.42	\$0.45	
Physician	\$0	\$0	
Prescription Drugs	\$0.08	\$0.09	

Demographics	2019	2020	Benchmark
Average # of EE's enrolled	496	487	
Average # of Members	1,084	1,060	
Contract Size	2.185	2.177	2.2 - 2.25
Age/Sex Factor			
Average # of EE's eligible	600	585	
Participation %	82.7%	83.2%	

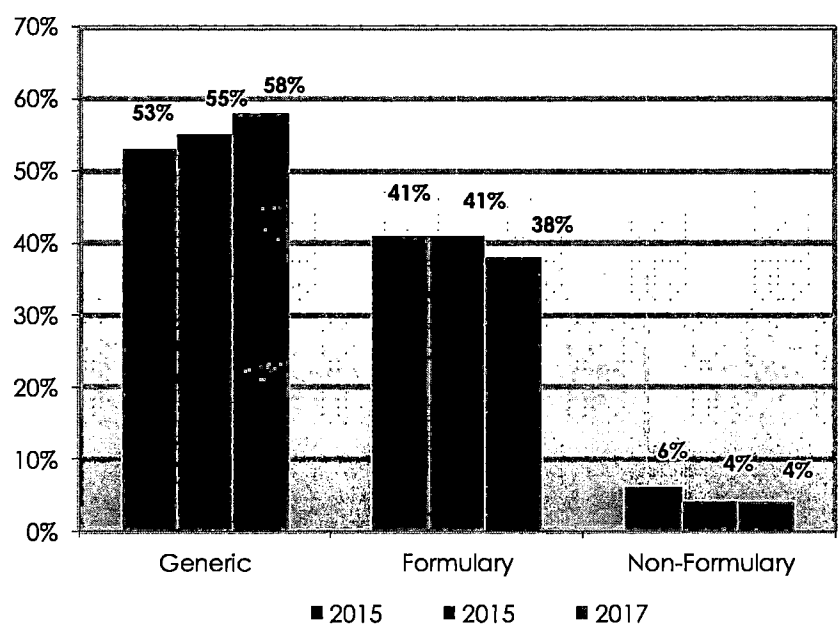
Network Statistics	2019	2020	Benchmark
Network Discount	42.0%		Varies
Network Utilization	91.0%		By
Net Effective Discount	38.2%	0.0%	Market

Large Claim Statistics	2019	2020	Benchmark
# of High \$ claimants (> \$xxx,xxx)	3	5	
% of total claimants	0.4%	0.6%	

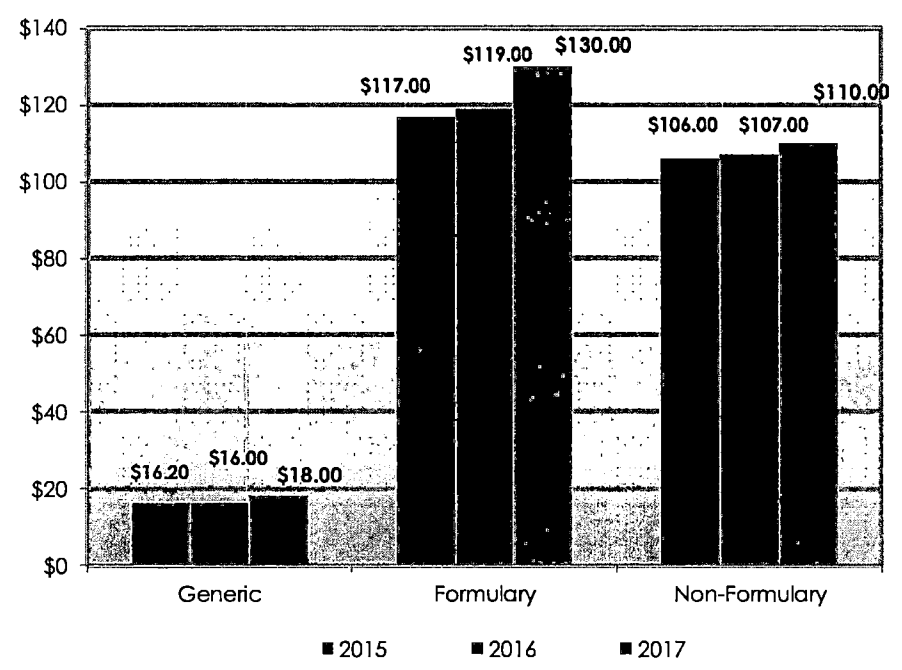
Outpatient Data	2019	2020	Benchmark
OV per 1,000			
ER Visits per 1,000			300 - 350

# Utilization review and wrap-up Pharmacy

% of Dollars



Cost per Script



# Key industry trends for 2021

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- Cost shifting to employees
- Mental health/mindfulness
- Student loan repayment benefits
- Chronic pain
- Technology
- Bridging the gap between safety and wellness
- Pharmacy

# Medical benchmarking analysis

USI observations:

1. Observation #1
2. Observation #2

Plan design component	ABC Company current plan	Typical benchmark	Benchmark trend
Contributions			↑
Deductibles			⇒
Coinsurance			↔
Out-of-pocket amounts			↓
Office visit/ER/In-patient copays			
Rx plan design			

# ABC Company benefit plans

## Vendor scorecard

Guide:   

	Vendor/ Carrier	Plan(s) Offered	ABC Company HR Opinion/ Ranking	Participant Opinion/ Ranking	Market for upcoming year?
Medical					
Dental					
Life					
LTD/STD					
Rx					
FSA/COBRA					
EAP (or other)					
Online enroll/ben admin					
Other					

# ABC Company benefits philosophy

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- Examples:
  - To engage our employees and promote a culture of health
  - To offer benefits higher than the benchmark for our [industry/city/region]
  - To provide our employees with solutions to protect their financial needs
  - To provide employees choice while maintaining costs of \$X PEPY
  - To maximize the health and productivity of our employees
  - To be the employer of choice in [industry/region/city, state]
- What are the strengths of the current benefits package?
  - According to HR/C-Suite
  - According to the employees
- What are the weaknesses of the current benefits package?
  - According to HR/C-Suite
  - According to the employees

# ABC Company benefits philosophy

## Financial

- To maintain healthcare costs of \$X,XXX PEPY
- Obtain short-term financial gains where possible; balance with monetary investments where long-term gains are imminent

## Member satisfaction

- To offer members meaningful choices between plans and providers
- Improve or intensify communications
- Review decision support tools

## Cultural

- To be the employer of choice
- Provide benefits that engage our employees in their health and wellness
- To either maintain or restore employee loyalty (talent shortage)

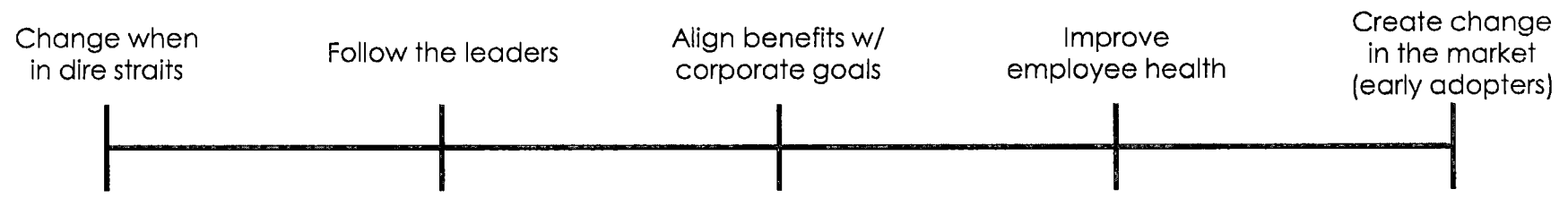
## Other

- To make sure we keep abreast of and remain compliant with all required laws



# Health benefits strategy continuum

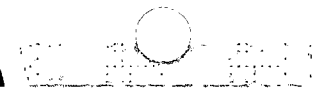
## What's right for ABC Company?



Basic strategies	Advanced strategies	
<ul style="list-style-type: none"> <li>• Market plans</li> <li>• Maximize discounts</li> <li>• Funding analysis/options</li> <li>• Increase cost sharing thru cutting benefits / increasing contributions</li> <li>• Narrow networks</li> <li>• Renewal negotiations</li> <li>• Claim/dependent eligibility audits</li> <li>• Basic communications</li> </ul>	<ul style="list-style-type: none"> <li>• CDHP plans</li> <li>• Customized and well-thought-out communications</li> <li>• Introductory wellness and disease management</li> <li>• Health risk assessments</li> </ul>	<ul style="list-style-type: none"> <li>• HRA/HSA with employer contribution</li> <li>• Health mgmt./disease mgmt programs</li> <li>• Strong employee consumer and cost management tools</li> <li>• Extensive employee communications</li> <li>• Health advocacy</li> <li>• Data mining</li> <li>• ROI/VOI measured</li> <li>• Disclosure of cost and quality info</li> <li>• High performance networks/ACOs</li> <li>• Collective purchasing</li> <li>• Evidence-based plan design</li> <li>• Contributions linked with health behaviors</li> <li>• Private exchange/ defined contribution/reference-based pricing</li> </ul>

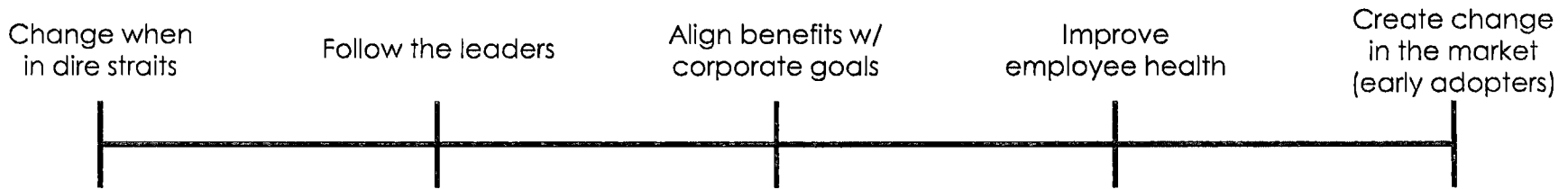
= ABC Company current state

= ABC Company ultimate goal



# Health benefits strategy continuum

## What's right for ABC Company?



Basic strategies	Advanced strategies	
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= ABC Company current state



= ABC Company ultimate goal

## Health benefits strategy continuum

# What's right for ABC Company?

### Basic strategies

- Market plans
- Maximize discounts
- Funding analysis/options
- Increase cost sharing thru cutting benefits / increasing contributions
- Narrow networks
- Renewal negotiations
- Claim/dependent eligibility audits
- Basic communications

### Advanced strategies

- CDHP plans
- Customized and well-thought-out communications
- Introductory wellness and disease management
- Health risk assessments
- HRA/HSA with employer contribution
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- Data mining
- ROI/VOI measured
- Disclosure of cost and quality info
- High performance networks/ACOs
- Collective purchasing
- Evidence-based plan design
- Contributions linked with health behaviors
- Defined contribution/private exchange
- Reference-based pricing

### Our solution

- Network Evaluation Tool
- Stop-Loss Solutions
- Actuarial Services Practice
- Benchmarking

### Our solutions

- Health & Productivity Practice
- Benefit Helpline
- Integrated Benefit Solutions (Voluntary Benefits)
- Data Management Solutions
- Pharmacy Consulting
- Clinical Solutions
- Exchange Options

# Health benefits strategy continuum

## What's right for ABC Company?

### Basic strategies

- Market plans
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- Funding analysis/options
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### Our solution

- Network Evaluation Tool
- Stop Loss Solutions
- Actuarial Services Practice
- Benchmarking

### Our solutions

- Health & Productivity Practice
- Benefit Helpline
- Integrated Benefit Solutions (Voluntary Benefits)
- Data Management Solutions
- Pharmacy Consulting
- Clinical Solutions
- Exchange Options

# Are you meeting the needs of all your employees?

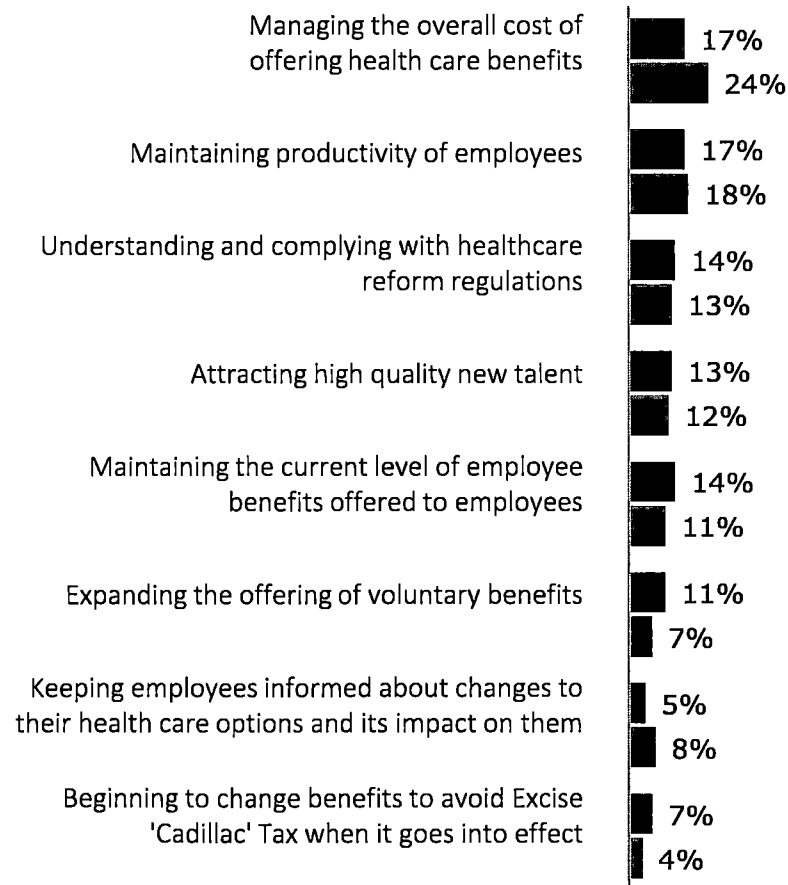
Generation	Medical	Dental	Vision	Life	Disability	Critical illness	Accident	Cancer	other
Baby boomers 1946-1963	Now	Now	Now	Now	Now	Now	Now	Now	Now
Gen X 1964-1980	Now	Now	Now	Now	Now	Now	Now	Now	Now
Gen Y 1981-1997	Now	Now	Now	Now	Now	Now	Now	Now	Now
Gen Z 1998 - now	Now	Now	Now	Now	Now	Now	Now	Now	Now

Now = Benefits you currently offer

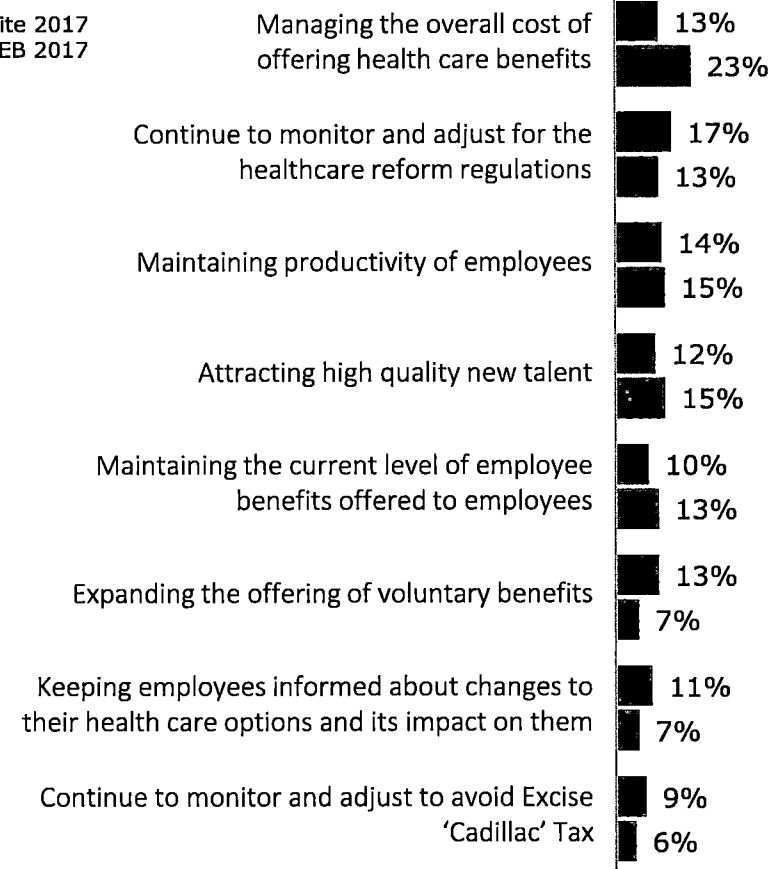
Future = Benefits you want to offer

# Employee benefits programs – short- and long-term goals

## Next 12 months



## Next five years



# Multi-year benefits strategy

	Short-term goals (2021)	Mid-term goals (2021-2022)	Long-term goals (2023+)
<b>Plan Design</b>	<ul style="list-style-type: none"> <li>Evaluate network and carrier options</li> <li>Reevaluate medical plan options</li> <li>Evaluate need for (other) voluntary benefits</li> </ul>	<ul style="list-style-type: none"> <li>Continue plan design evaluation across all health and welfare benefits</li> <li>Evaluate ACO options</li> </ul>	<ul style="list-style-type: none"> <li>Plan remains compliant with healthcare reform provisions</li> <li>Balance employee cost sharing with financial objectives</li> </ul>
<b>Communication</b>	<ul style="list-style-type: none"> <li>Develop communication strategy: methods of communication and topics</li> <li>Consider the various generations at work and types of communication each prefer</li> </ul>	<ul style="list-style-type: none"> <li>Continue to enhance and develop ongoing communication</li> </ul>	<ul style="list-style-type: none"> <li>Engage employees to be good stewards</li> </ul>
<b>Financial</b>	<ul style="list-style-type: none"> <li>Reevaluate contribution strategy</li> <li>Explore funding options</li> <li>Review contracts for cost savings</li> <li>Avoid exposure to excise tax</li> </ul>	<ul style="list-style-type: none"> <li>Continue actuarial evaluation of the plan</li> <li>Evaluate PBM strategy</li> <li>Avoid exposure to excise tax</li> </ul>	<ul style="list-style-type: none"> <li>Attempt to reduce trend increase of the plan through wellness and other initiatives</li> <li>Avoid exposure to excise tax</li> </ul>
<b>Administrative</b>	<ul style="list-style-type: none"> <li>Ensure vendors are meeting needs</li> </ul>	<ul style="list-style-type: none"> <li>What improvements can be made?</li> </ul>	
<b>Compliance</b>	<ul style="list-style-type: none"> <li>Review service provider contracts/SPDs</li> <li>Assist with IRC 6055/6056 reporting</li> <li>5500 Form Filings</li> </ul>	<ul style="list-style-type: none"> <li>Continue updates on healthcare reform</li> <li>Review compliance with HIPAA</li> </ul>	<ul style="list-style-type: none"> <li>Avoid the imposition of penalties under the ACA</li> <li>Ensure proper administration of group health plans</li> </ul>
<b>Wellness</b>	<ul style="list-style-type: none"> <li>Evaluate existing wellness program</li> <li>Look at areas of health and productivity</li> </ul>	<ul style="list-style-type: none"> <li>Assist with the design and implementation of program</li> <li>Wellness campaigns and challenges, including financial wellness components</li> </ul>	<ul style="list-style-type: none"> <li>Review statistical data of wellness program to assess its efficiency in reducing trend and absenteeism and increasing presenteeism</li> </ul>
<b>Anticipated Budget</b>	\$xxxxx	\$xxxxx	\$xxxxx

# Healthcare reform checklist

Topic	Result/Outcome
MLR Rebate Discussion	
Review of future plan offerings	Move from 3 to 2 plans by 20
Review of benefit design vs. essential benefits	
Review of plan design vs. actuarial value threshold	
Assess affordability of employee contributions	
Review of future eligibility definition	
Watch the regulatory environment for any changes (if applicable)	
Confirm reporting requirements readiness for 2018	
Initial Analysis for Excise Tax (* tax delayed until 2022)	Forecasted to exceed thresholds in 2022

# ABC Company excise tax strategies

Complete this page with your implementation plan.

	Impact on:	
	Cadillac tax amounts	Employee disruption
1. Reduce the medical plan design value	Low	Low
2. Consider other plan modifications	Medium	Medium
3. Increase health and productivity measures	Medium	Medium
4. Manage funding of HSA account-based plans	High	High
5. Optimize plan rate tiers	Medium	Low
6. Restrict spousal coverage	Low	High
7. Have employees pay excepted benefits on a post-tax basis	Medium	Low
8. Establish dental and vision plan as stand-alone benefits	Low	Low

2021												2022											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	3			2																			

## Strategies we will implement:

# Implementation notes

Timeline

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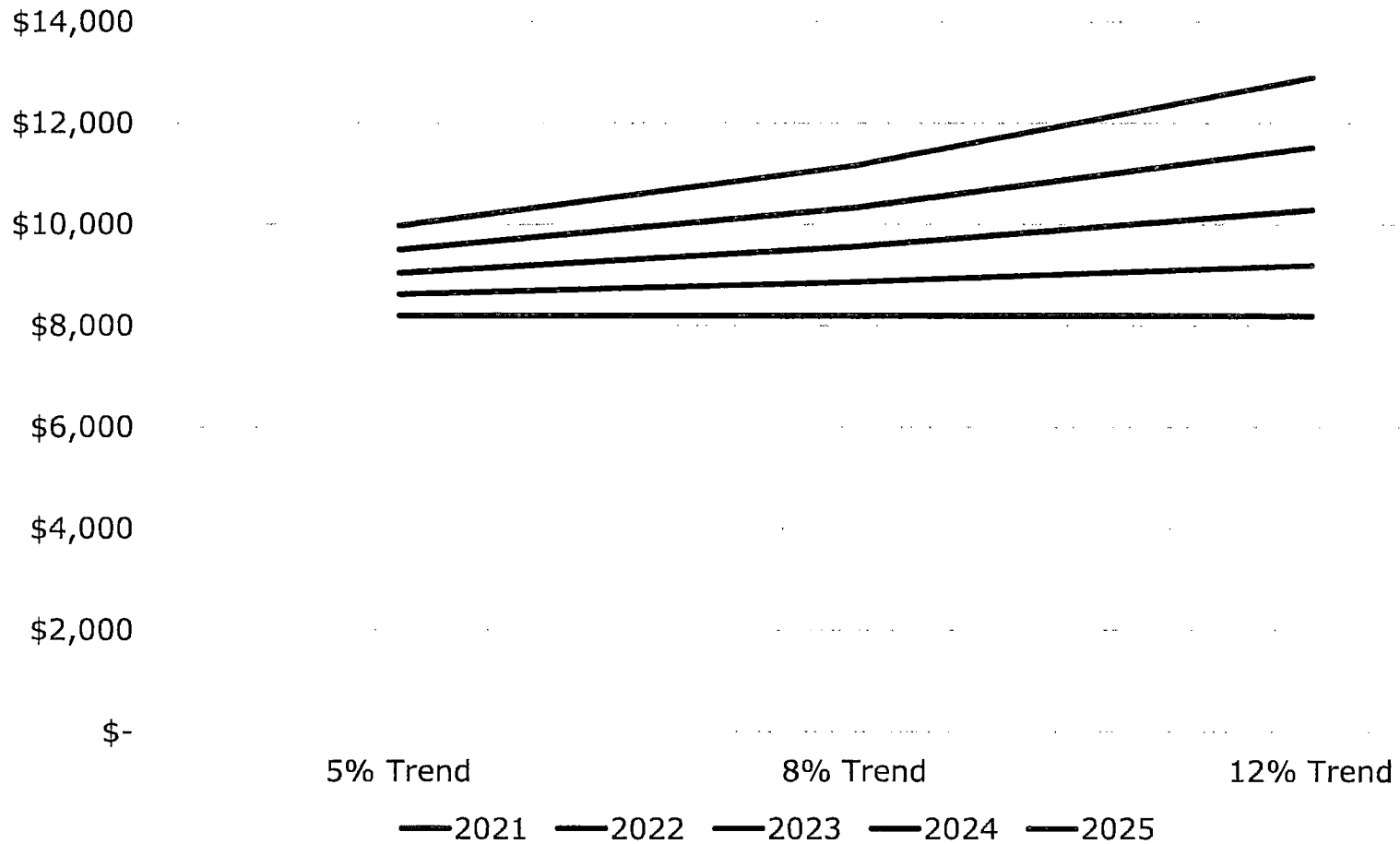


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# ABC Company five-year forecast





# Market trends

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- Trends that are pertinent to ABC Company's situation
  - Defined contribution
  - Spousal surcharge
  - Opt-out credits
  - Domestic partner prevalence
  - Consumerism
  - Pharmacy
  - Wellness
  - Disease management



# Market conditions

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- Current state of the insurance marketplace
  - Pricing trends on ancillary coverages
  - Changes in financial ratings (carrier specific/industry as a whole)
  - M&A activity
  - Local medical network changes



USI team responsibility  
 ABC Company responsibility  
 USI/ABC Company responsibility

# 2021 service calendar

January	February	March	April
<ul style="list-style-type: none"> <li>Enrollment debrief</li> </ul>	<ul style="list-style-type: none"> <li>Annual Planning Mtg.</li> <li>Provide monthly claims reporting</li> <li>Review communications strategy</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly vendor meetings</li> <li>Disclose status of creditable plan</li> <li>Begin collecting data for Form 5500 filing</li> </ul>	<ul style="list-style-type: none"> <li>Review Benchmarking/Benefit offerings</li> </ul>
May	June	July	August
	<ul style="list-style-type: none"> <li>Pre-Renewal Mtg.</li> <li>Quarterly vendor meetings</li> </ul>	<ul style="list-style-type: none"> <li>5500 Filing Due (assumes 1/1 plan year)</li> <li>Payment of PCORI fee</li> </ul>	<ul style="list-style-type: none"> <li>Request carrier renewals</li> <li>MLR Rebates to be released by insurers</li> </ul>
September	October	November	December
<ul style="list-style-type: none"> <li>Renewal Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Finalize plan changes and contributions</li> <li>Finalize enrollment communications</li> <li>Distribute to participants Medicare Part D notices</li> </ul>	<ul style="list-style-type: none"> <li>Finalized renewals and COBRA rates</li> <li>Reporting of lives under the transitional reinsurance fee</li> <li>Distribute SBC (assumes 1/1 plan year)</li> <li>Comply with distribution of annual notices (CHIPRA, WHCRA etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Annual Enrollment (assumes 1/1 plan yr)</li> </ul>



# Additional services

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- Additional EB lines of coverage
- International benefits
- P&C lines

USI team responsibility  
 ABC Company responsibility  
 USI/ABC Company responsibility

# 2021 service calendar

January	February	March	April
<ul style="list-style-type: none"> <li>▪ Enrollment debrief</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Planning Mtg.</li> <li>• Provide monthly claims reporting</li> <li>• Review communications strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly vendor meetings</li> <li>• Disclose status of creditable plan</li> <li>• Begin collecting data for Form 5500 filing</li> </ul>	<ul style="list-style-type: none"> <li>• Review Benchmarking/Benefit offerings</li> </ul>
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# Additional services

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- Additional EB lines of coverage
- International benefits
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# THANK YOU FOR YOUR TIME

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# ○ APPENDIX IV – SAMPLE COMPLIANCE-RELATED COMMUNICATIONS



# Annual Compliance Calendar for ABC Company

Plan Year<sup>1</sup>: January 1, 2022

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
<b>CURRENT STANDARD MEASUREMENT PERIOD (SMP) FOR ONGOING EMPLOYEES</b>					
<ul style="list-style-type: none"> <li>▪ OOPMs &amp; HSA/QHDHP limits<sup>2</sup></li> <li>▪ Consider early 105(h) and 125 non-discrimination testing</li> <li>▪ <b>1/31</b> – Distribute Forms 1095-C to each ACA FTE</li> <li>▪ <b>1/31</b> – Distribute Form W-2 to employees with applicable benefit info</li> <li>▪ <b>1/31</b> – Provide Form MA 1099-HC to all MA resident employees</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consider issuing Medicare Part D creditable status notice to participants</li> <li>▪ <b>2/28</b> – File Forms 1094-C &amp; 1095-C with the IRS if filing by paper</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>3/1</b> – M-1 filing due</li> <li>▪ <b>3/1</b> – Report Medicare Part D creditable status to CMS</li> <li>▪ <b>3/31</b> – File Forms 1094-C &amp; 1095-C with the IRS if filing electronically</li> <li>▪ <b>3/31</b> – NJ individual mandate reporting due</li> <li>▪ <b>3/31</b> – CA individual mandate reporting due</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>4/30</b> – SF HCSO reporting due</li> <li>▪ <b>4/30</b> – DC individual mandate reporting due</li> </ul>		
JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<b>CURRENT SMP</b>				<b>ADMINISTRATIVE PERIOD</b>	
<b>SUBSEQUENT SMP</b>				<b>SUBSEQUENT SMP</b>	
<ul style="list-style-type: none"> <li>▪ <b>7/31</b> – Form 5500 (or Form 5558)<sup>3</sup> filing due</li> <li>▪ <b>7/31</b> – Pay PCOR fee on Form 720</li> </ul>		<ul style="list-style-type: none"> <li>▪ <b>9/30</b> – Summary Annual Report (SAR) due to plan participants</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>10/15</b> – Medicare Part D creditable status notice due to participants (if not already provided)</li> </ul>		<ul style="list-style-type: none"> <li>▪ Required 125 non-discrimination testing</li> <li>▪ Distribute annual legal notices w/ OE materials<sup>4</sup></li> <li>▪ <b>12/15</b> – File HIRD form (most MA employers)</li> <li>▪ <b>12/31</b> – Amend 125 plan to reflect temporary changes (if adopted)</li> </ul>

<sup>1</sup> The plan year is equivalent to the stability period for ongoing employees.

<sup>2</sup> 2022 OOPMs (\$8,700/\$17,400 Non-GF, \$7,050/\$14,100 QHDHPs), QHDHP minimum deductible \$1,400/\$2,800, maximum HSA contribution \$3,650/\$7,300.

<sup>3</sup> If Form 5558 filing extension submitted, Form 5500 is due 10/15/2022 and SAR is due to plan participants by 12/15/2022.

<sup>4</sup> Annual notices include SBCs, HIPAA Notice of Privacy Practice, HIPAA Notice of Special Enrollment Rights, ACA Patient Protections, CHIPRA Notice, Wellness, and WHCRA Annual Notice.

All information in this document is general in nature and should not be construed as legal or tax advice. It is not exhaustive and may change upon the issuance of further guidance. This tool is built based on the guidance available as of the date printed at the bottom of this page. This calendar does not include state-mandated paid family or paid medical leave requirements that may apply in your area



November 30, 2021

## IRS Releases Proposed Regulations on ACA Reporting and Other Issues

On November 22, 2021, the Internal Revenue Service (“IRS”) released proposed regulations that provide some relief with respect to ACA reporting requirements.

The proposed rule:

- Makes permanent an automatic extension of 30 days to furnish IRS Forms 1095-C (and 1095-B) to individuals. Effectively, this moves the due date for furnishing these forms to full-time employees and other individuals from January 31 to March 2 each year (or, if March 2<sup>nd</sup> falls on a weekend or holiday, the next business day).
- Eliminates the good faith relief from reporting penalties associated with incorrect or incomplete reporting.<sup>1</sup>
- Creates an alternative method for furnishing individuals with IRS Form 1095-B (and, in some cases, IRS Form 1095-C) as proof of minimum essential coverage (MEC).

Therefore, with respect to Forms 1095-C for calendar 2021, applicable large employers (“ALEs”)<sup>2</sup> have **until March 2, 2022** (rather than January 31, 2022) to furnish these forms to full-time employees and other individuals.<sup>3</sup>

The proposed rule **does not** extend the deadline to file completed Forms 1094-C and 1095-C (and Forms 1094-B and 1095-B) with the IRS. The due date remains **March 31, 2022** (or **February 28, 2022** for paper filing if filing fewer than 250 forms<sup>4</sup>).

<sup>1</sup> The proposed rule also excludes from the definition of MEC Medicaid coverage that is limited to COVID-19 testing and diagnostic services for purposes of the ACA. This article does not address this guidance.

<sup>2</sup> An ALE is an employer that had 50 or more full-time employees (including full-time equivalent employees) on business days in the preceding calendar year. ALE status is determined on an annual basis and requires aggregating all employees within a controlled group.

<sup>3</sup> Under the proposed rule, the general effective date of this guidance applies to calendar years beginning after December 31, 2021. However, applicable large employers may apply the extension relief to calendar years beginning after December 31, 2020.

<sup>4</sup> While not currently in effect, the IRS issued proposed regulations that, if finalized, would require electronic filing when 100 or more returns are filed and require aggregation of all forms (e.g., W-2, 1095-C) for purposes of determining the 100-form

Please note, while the 2021 Forms 1094-C and 1095-C have been finalized, the instructions are not yet available. Once published, the instructions should be available on this website: <https://www.irs.gov/forms-pubs/about-form-1095-c>.

Additional details follow.

#### **AUTOMATIC EXTENSION OF TIME FOR FURNISHING ACA STATEMENTS**

Under the ACA, January 31 is the deadline to furnish IRS Forms 1095-C and 1095-B to certain individuals (such as full-time employees, in the case of IRS Form 1095-C) with respect to the preceding calendar year. The proposed regulations grant an automatic extension of 30 days in which to furnish these statements to individuals. The extension is automatic; employers or other reporting entities are not required to file a request with IRS, or to demonstrate reasonable cause to justify the extension.

Employers may rely on this relief for calendar year 2021 filings. This means Wednesday March 2, 2022 is the deadline to furnish individuals with a 2021 Form 1095-C or 1095-B.

**USI Note:** While the IRS has provided the automatic extension of time to furnish the Form 1095-C (or Form 1095-B), if operating in a state with an individual mandate the timing to furnish proof of coverage to covered residents may be different.

#### **ELIMINATION OF TRANSITIONAL GOOD FAITH RELIEF**

Since 2015, the IRS provided reporting entities with relief from penalties if those entities could show they made good faith efforts to comply with the information reporting requirements. This relief has been extended each year, with the IRS announcing that 2020 would be the last year that transitional good faith relief would be available.

The proposed rule confirms that the good faith relief from penalties for reporting incorrect or incomplete information on Forms 1094-C, 1095-C, 1094-B and 1095-B is **no longer available** after 2020. For 2021, penalties for incorrect or incomplete forms furnished to individuals can be \$280/return. Additionally, incomplete or incorrect forms filed with the IRS may trigger a \$280/return penalty.

While the reasonable cause exception remains available and may provide relief from penalties for entities that can show a reasonable cause for failing to timely or accurately complete their reporting requirements, with the elimination of the good faith relief employers will want to take steps to ensure the accuracy of their forms and filings.

#### **ALTERNATIVE METHOD FOR FURNISHING ACA STATEMENTS**

Under the ACA, IRS Forms 1095-C and 1095-B must be sent by first class mail to the last known permanent address of the individual. If no permanent address is known, the statement must be sent by first class mail to the individual's temporary address. The statement may also be furnished electronically if certain requirements are met.

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threshold. Refer to USI's Compliance Update, More Employers May Be Required to Electronically File Some IRS Forms (August 19, 2021), for details.

The proposed regulations would make permanent an alternative method for furnishing IRS Forms 1095-B (and, in some limited cases, IRS Forms 1095-C) to individuals, for as long as penalties under the ACA's individual shared responsibility rules remain zero.<sup>5</sup> The alternative method would be available to the following reporting entities:

- Health insurance carriers and plan sponsors (other than ALEs) that are using IRS Form 1095-B to provide proof of MEC
- ALEs with a self-funded group medical plan that are using IRS Form 1095-B or 1095-C to provide proof of MEC to individuals who are not considered "full-time" under the ACA for any month of the calendar year (i.e., non-full-time employees and non-employees covered under the plan during the calendar year)
- Small employers (not ALEs) with a self-funded health plan that are using IRS Form 1095-B to provide proof of MEC

**USI Note:** The alternative method is not available to ALEs that are furnishing IRS Form 1095-C to employees considered "full-time" under the ACA for one or more months of the calendar year. Further, the alternative method may not be available if operating in a state with an individual mandate where Forms 1095-C or 1095-B must be furnished to covered residents. Keep in mind, if the alternative method is used, the reporting entity must still file the Form 1095-B with the IRS.

The following steps must be followed by a reporting entity that elects to use the alternative method:

- A clear and conspicuous notice that meets certain technical requirements must appear on the reporting entity's website
- The notice must state that covered individuals may receive a copy of IRS Form 1095-B (and, in some cases, IRS Form 1095-C) upon request, and informs them how the request may be made
- The notice must appear in the same website location through October 15 (or the next business day) following the end of the calendar year
- IRS Form 1095-B (or, in some cases, IRS Form 1095-C) must be furnished to the requesting individual within 30 days after the request is received; the ACA statement may be furnished electronically if certain requirements are met.

If the proposed regulations are finalized without change, the alternative method would be available to reporting entities that are furnishing IRS Forms 1095-B (and, in some cases, IRS Forms 1095-C) for calendar year 2021,<sup>6</sup> as well as for future calendar years.

#### **EMPLOYER NEXT STEPS**

Employers should continue to monitor the status of the proposed rule.

- With respect to furnishing Forms 1095-C for CY 2021, employers may rely on the proposed rule and must furnish these statements no later than March 2, 2022 (versus January 31, 2022).
- Employers should take extra care that Forms 1094-C and 1095-C are complete and accurate as the transitional good faith relief is no longer available with respect to calendar year 2021 filings (and thereafter).

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<sup>5</sup> Penalties under the ACA's individual responsibility rules for individuals without MEC have been zero since January 1, 2019. Refer to USI's Compliance Update, [Congress Passes Tax Reform Bill](#) (December 20, 2017). Note that certain states impose tax penalties on state residents without MEC; contact your USI representative for assistance with this issue.

<sup>6</sup> Because the IRS released the proposed regulations after the start of calendar year 2021, reporting entities are given the "option" under the proposed regulations to apply the alternative method for furnishing IRS Forms 1095-B (and, in some cases, IRS Forms 1095-C) for calendar year 2021.

- Determine whether your carriers will take advantage of the alternative furnishing method with respect to Forms 1095-B they issue.
- If operating in a state with an individual mandate (California, District of Columbia, Massachusetts, New Jersey, Rhode Island and Vermont), and required to furnish covered residents with proof of coverage during the calendar year, ensure you continue to comply with state rules.

## RESOURCES

For the text of the proposed regulations, refer to: <https://www.irs.gov/pub/irs-drop/reg-109128-21.pdf>

### USI [usi.com/locations](http://usi.com/locations)

This summary is intended to convey general information and is not an exhaustive analysis. This information is subject to change as guidance develops. USI does not provide legal or tax advice. For advice specific to your situation, please consult an attorney or other professional.

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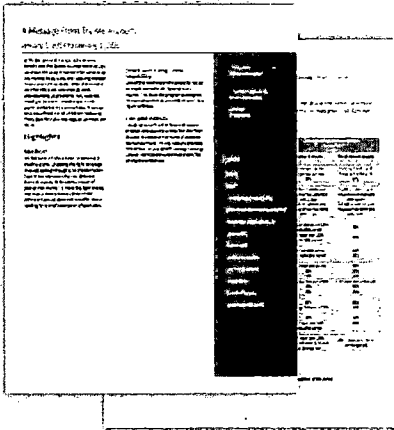
# APPENDIX V – SAMPLE EMPLOYEE COMMUNICATIONS

# Employee Communications Deliverables

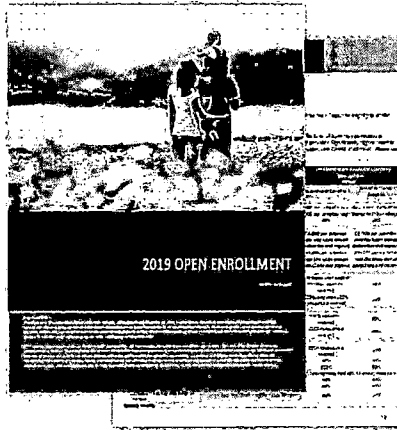
## BENEFIT GUIDES

\*Indicates benefit wrapper also available

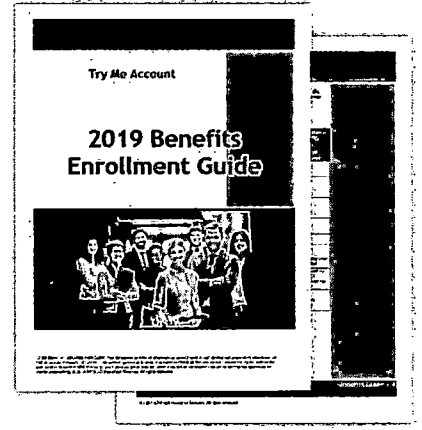
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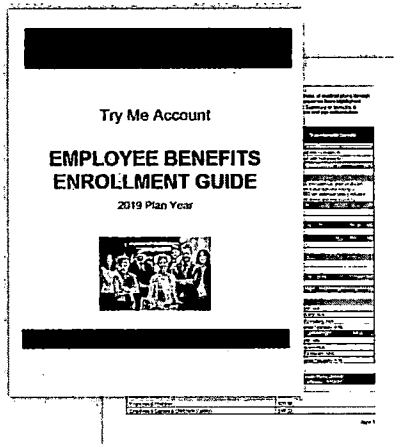
### Bay View\*



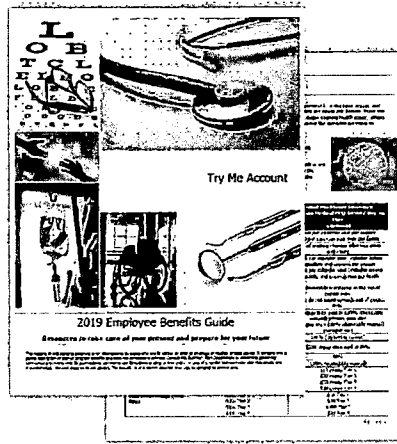
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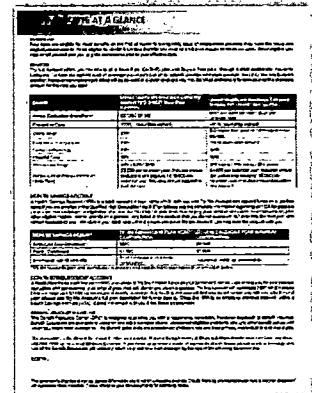
### Enrollment Summary\*



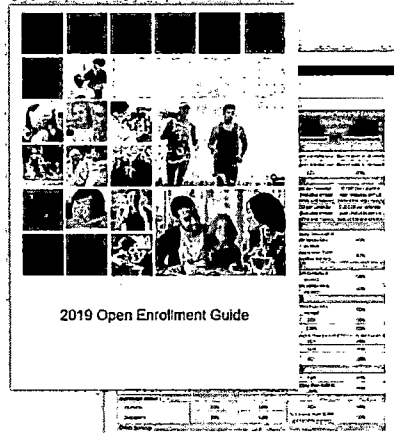
### FAQ Summary



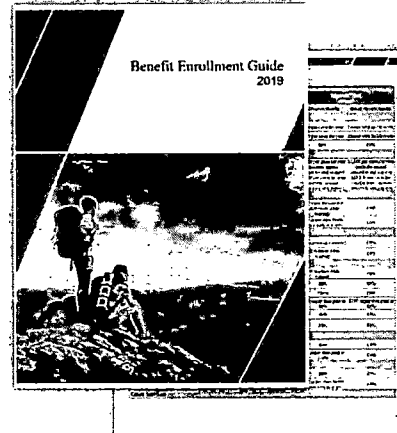
### Highlights



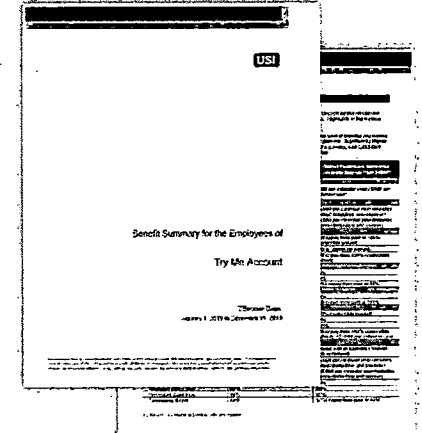
### Mosaic\*



### Mountain\*



### Simple Summary

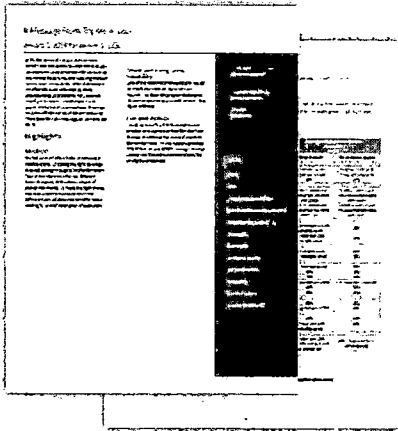


# Employee Communications Deliverables

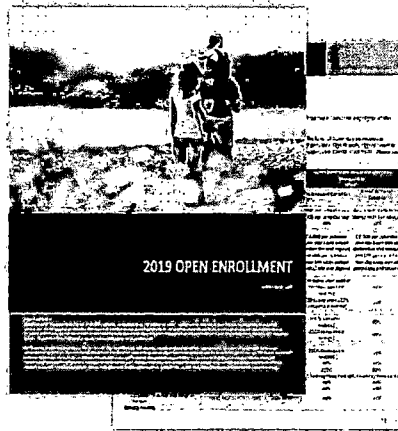
## BENEFIT GUIDES

\*Indicates benefit wrapper also available

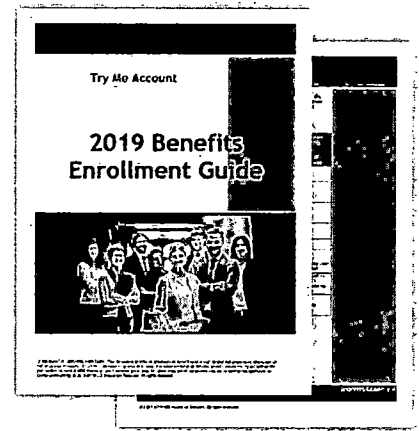
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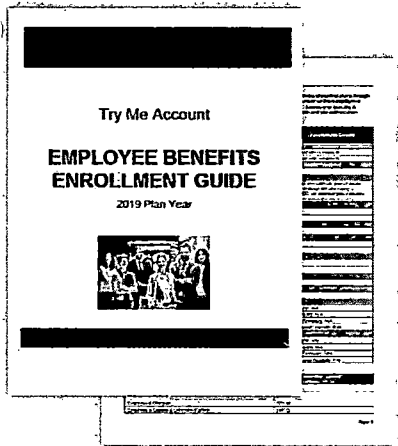
### Bay View\*



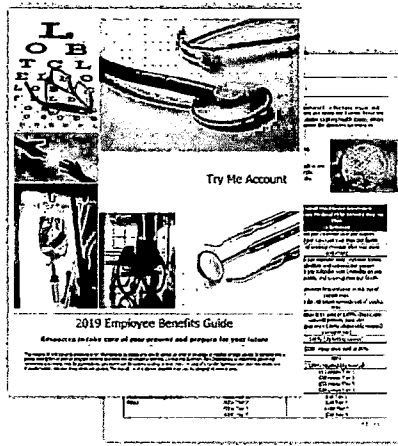
### Color Block



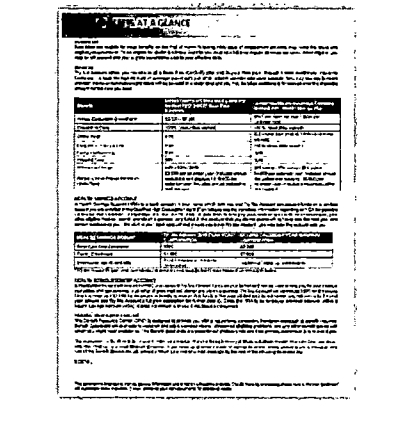
### Enrollment Summary\*



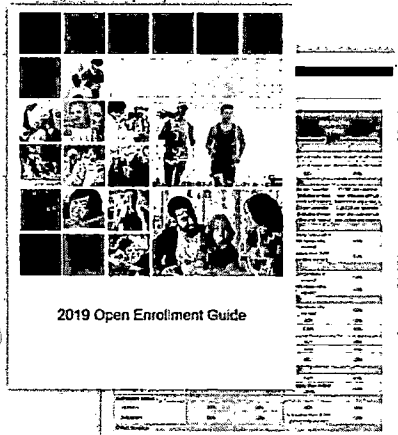
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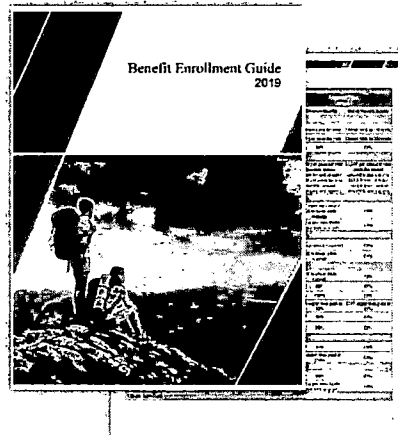
### Highlights



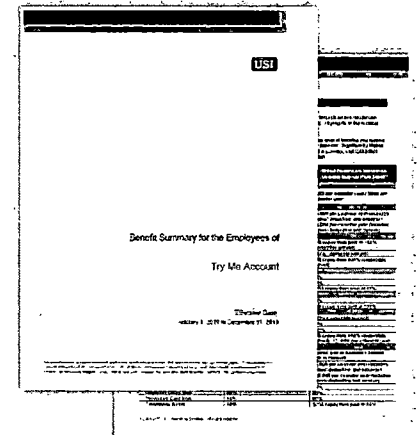
### Mosaic\*



### Mountain\*



### Simple Summary



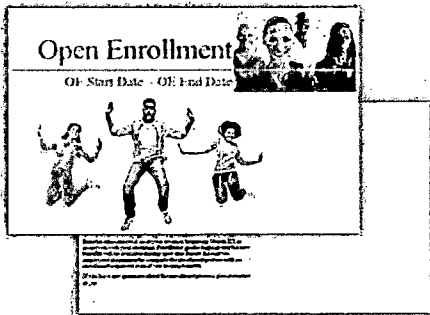




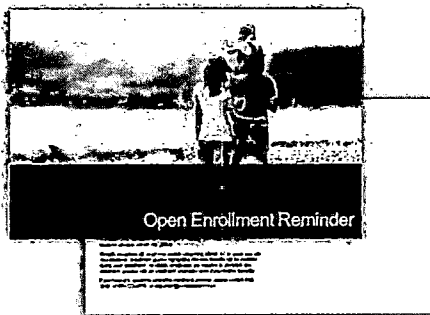
# Employee Communications Deliverables

## POSTCARDS

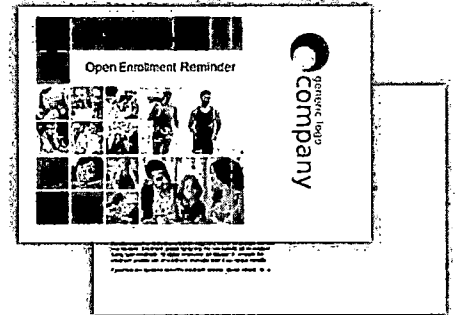
**Basic Blue**



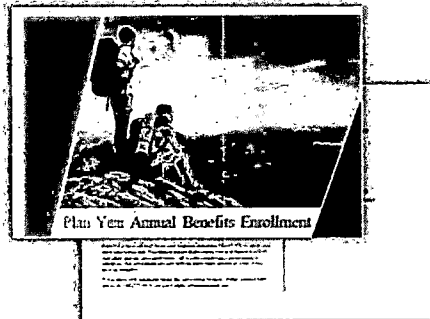
**Bay View**



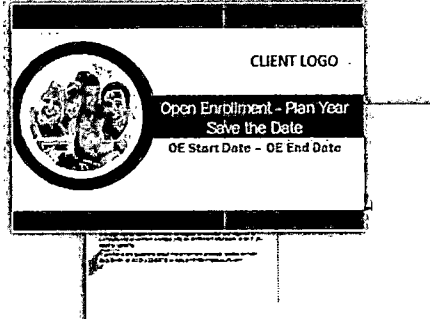
**Mosaic**



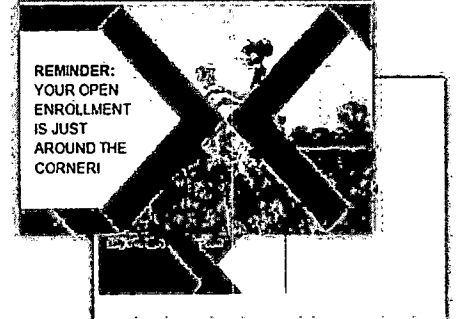
**Mountain**



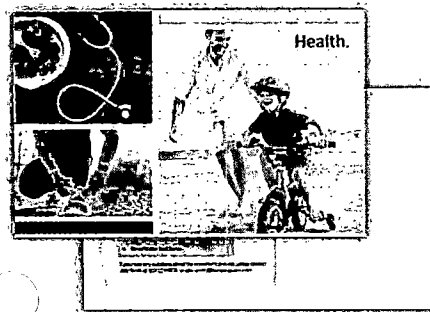
**Spot Light**



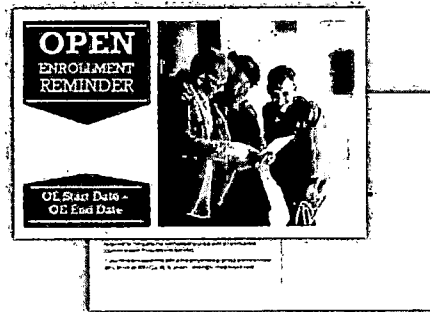
**Spring Field**



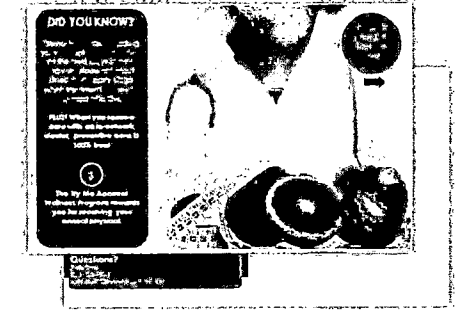
**Summer Health**



**Tabs**



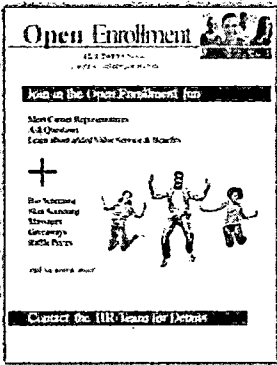
**Wellness**



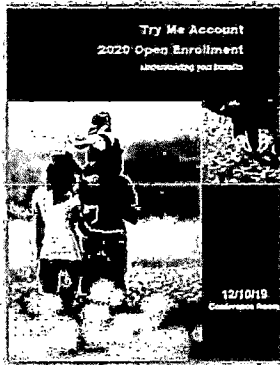
# Employee Communications Deliverables

## OPEN ENROLLMENT POSTERS AND FLYERS

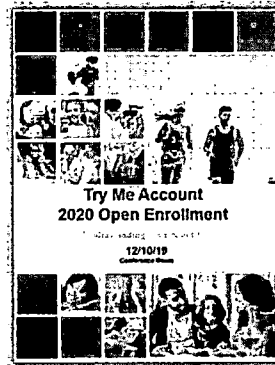
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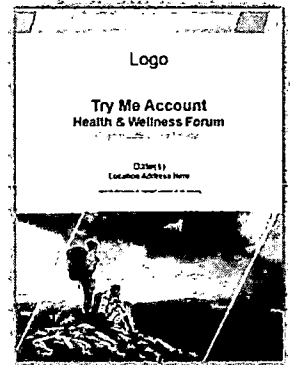
Bay View



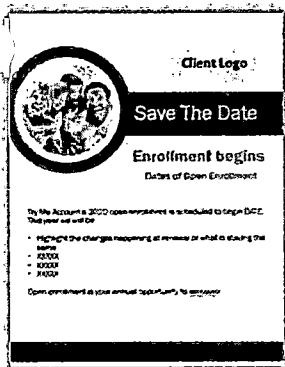
Mosaic



Mountain



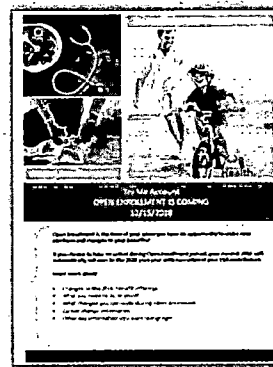
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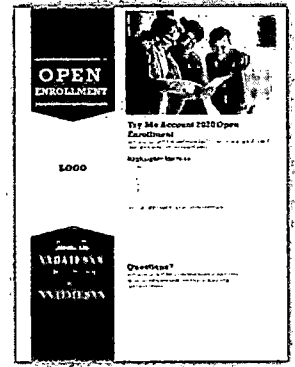
Spring Field



Summer Health



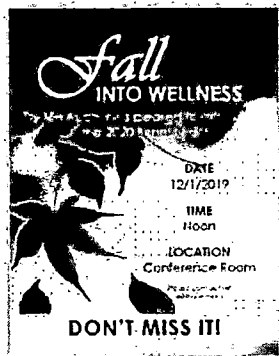
Tabs



Fall Option 1



Fall Option 2



Winter





# Employee Communications Deliverables

## PHM POSTERS AND FLYERS

### Appt Reminder

**Have You Made Your Appointment Yet?**

Remember your appointment? It's time to schedule your preventive care appointment. Your annual wellness visit is covered at 100% so why not see your doctor today?

**YOUR ANNUAL WELLNESS VISIT IS COVERED AT 100%. SO WHY NOT SEE YOUR DOCTOR TODAY?**

Check out the My Health My Choice app to schedule your appointment today.

### Steps - Savings

**Try Me Account Wellness Program 2020**

Get Healthy. Save Rewards.

**TAKE THESE STEPS TOWARD IMPROVING YOUR HEALTH AND EARNING MORE REWARDS ON YOUR HEALTH CARE PRESENTS IN 2020:**

1. Have your doctor complete the Preventive Care Checklist.
2. Make sure you've completed the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Steps - Wellness

**Steps to Wellness**

Wellness Program 2020

- Visit Doctor
- Biometric Screening
- Tobacco (and/or)
- Receive Premium Incentive

**IN ORDER TO RECEIVE THE INCENTIVE, YOUR DOCTOR MUST COMPLETE THE ANNUAL WELLNESS VISIT AND YOU MUST COMPLETE THE FORM BY 12/31/2020.**

### Preventive Care

**Preventive Care Can Keep You Healthy!**

Keep your health on track with preventive care. Your annual wellness visit is covered at 100% so why not see your doctor today?

**Make your appointment today!**

### Wellness - Business

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

1. See your doctor. Call My Health My Choice between 12/1/2019 and 12/31/2019.
2. Make sure your doctor completes the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Wellness - City

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

1. See your doctor. Call My Health My Choice between 12/1/2019 and 12/31/2019.
2. Make sure your doctor completes the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Wellness - Exercise

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

1. See your doctor. Call My Health My Choice between 12/1/2019 and 12/31/2019.
2. Make sure your doctor completes the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Wellness - Fishing

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

1. See your doctor. Call My Health My Choice between 12/1/2019 and 12/31/2019.
2. Make sure your doctor completes the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Wellness - Family2

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

1. See your doctor. Call My Health My Choice between 12/1/2019 and 12/31/2019.
2. Make sure your doctor completes the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Wellness - Family2

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

1. See your doctor. Call My Health My Choice between 12/1/2019 and 12/31/2019.
2. Make sure your doctor completes the Preventive Care Checklist.
3. Return the form to your Contract Home and the My Health My Choice app.
4. You will see your savings starting 1/1/2020.
5. If you have questions, contact your Contract Home, the My Health My Choice app, or call 1-800-444-4444.

### Wellness - Family3

**Wellness Program 2020**

Take these steps toward improving your health and earning a \$400 reward on your health care presents in 2020.

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### Wellness - Outdoors1

**Wellness Program 2020**

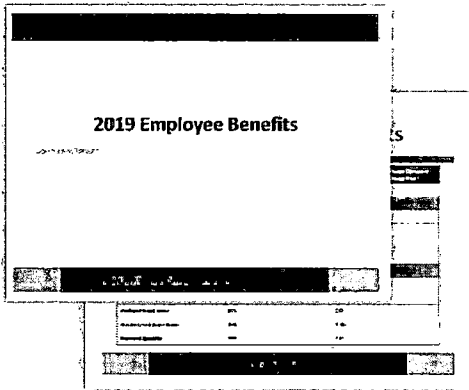
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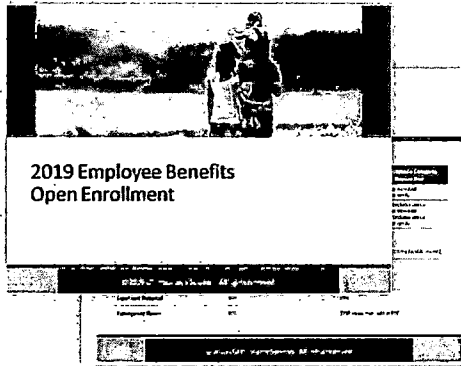
# Employee Communications Deliverables

## OPEN ENROLLMENT POWERPOINT

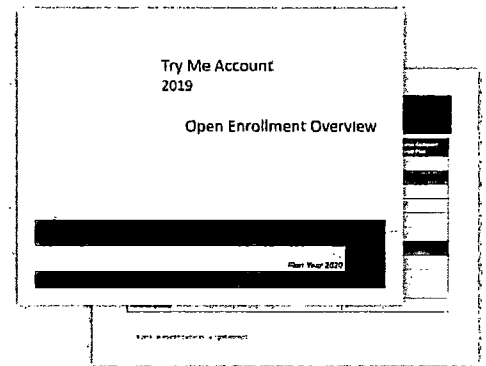
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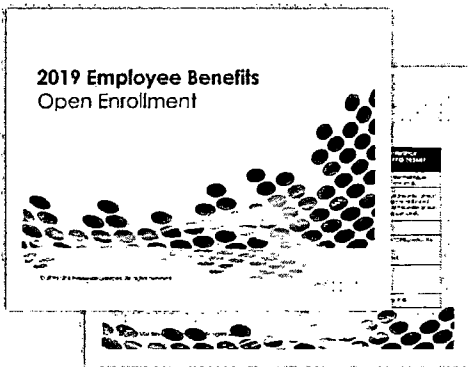
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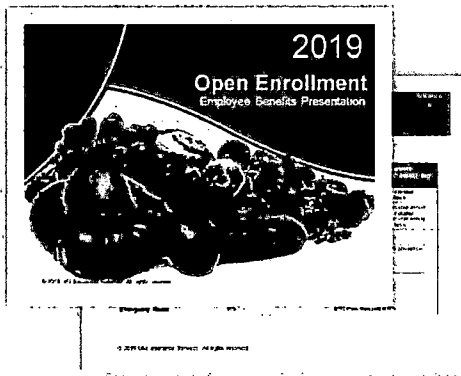
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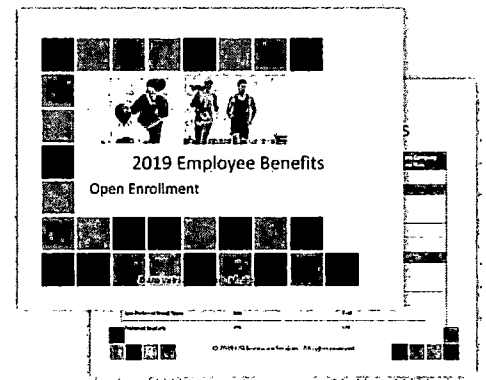
**Colorful Dots**



**Green Healthy**



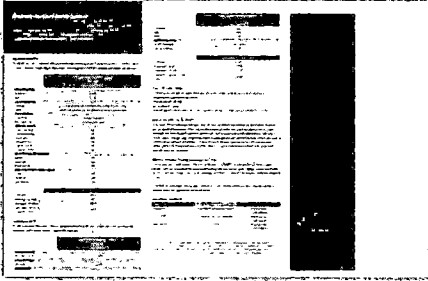
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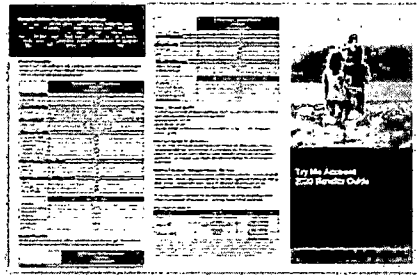
# Employee Communications Deliverables

## Benefit Trifolds

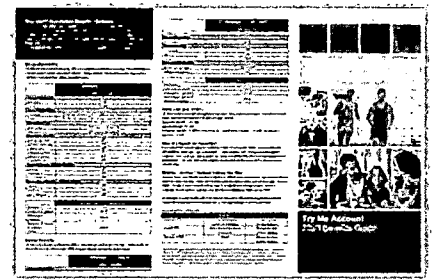
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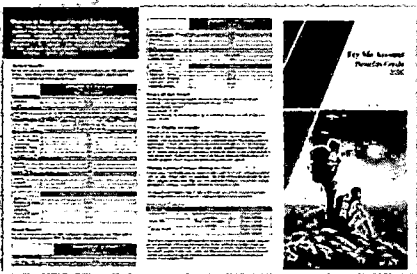
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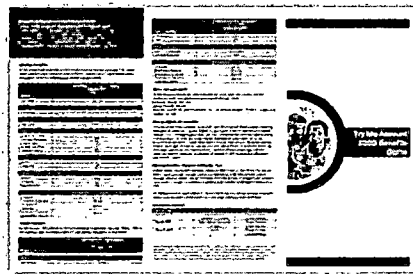
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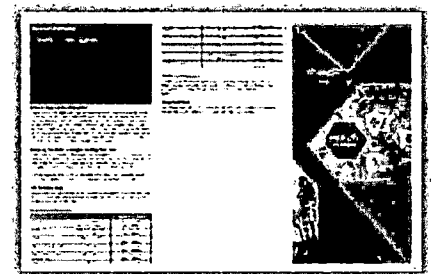
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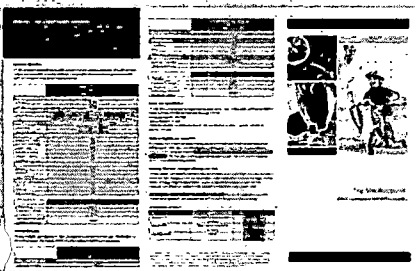
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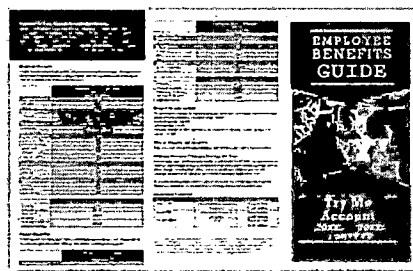
**Spring Field**



**Summer Health**



**Tabs**



# Employee Communications Deliverables

## EMPLOYEE EDUCATION MATERIALS

### Benefits FAQ

**BENEFITS YOU FREQUENTLY ASKED QUESTIONS**  
What are the most common questions employees have about their benefits? This infographic provides clear answers to help you understand your plan better.

- What is a Flexible Spending Account (FSA)?
- How do I enroll in my benefits?
- What are the different types of health insurance plans?
- How do I choose a primary care physician?
- What is a Health Savings Account (HSA)?
- How do I use my HSA funds?
- What are the rules for using my HSA funds?
- How do I file a claim?
- What is a deductible?
- What is a co-pay?
- What is a co-insurance rate?
- What is a maximum out-of-pocket?
- What is a network provider?
- What is an out-of-network provider?
- What is a self-insured retention (SIR)?
- What is a stop-loss coverage?
- What is a community rating?
- What is a risk-adjusted capitated payment (RACP)?
- What is a value-based care model?

### ER vs. Urgent Care

**EMERGENCY ROOM OR URGENT CARE?**  
Knowing when to go to the ER or Urgent Care can save you time and money. This infographic helps you decide which is the right choice for your situation.

Emergency Room	Urgent Care
• 24-hour service	• Hours of operation: 8am-8pm
• Treats life-threatening conditions	• Treats non-life-threatening conditions
• Higher cost	• Lower cost
• Longer wait times	• Shorter wait times
• No appointment needed	• Appointment may be needed
• Treats all types of injuries and illnesses	• Treats minor injuries and illnesses
• Treats all types of medical conditions	• Treats common medical conditions

### Where to Go For Care

**Where Should I Go?**  
This infographic provides a clear guide on where to go for different types of medical care, from routine checkups to emergency situations.

Where to Go	What Can They Treat?	Cost
Primary Care Physician	• Routine checkups • Common medical conditions	Low
Urgent Care	• Minor injuries • Common medical conditions	Low to Moderate
Emergency Room	• Life-threatening conditions • All types of injuries and illnesses	High

### Wise Use of the ER

**EMERGENCY ROOM OR URGENT CARE? KNOW BEFORE YOU GO**  
This infographic helps you understand the difference between an ER and Urgent Care, and when to use each.

- Emergency Room: For life-threatening conditions, all types of injuries and illnesses.
- Urgent Care: For minor injuries, common medical conditions, and non-life-threatening conditions.

### FSA Basics

**Flexible Spending Accounts**  
What are Flexible Spending Accounts (FSAs)? This infographic explains how they work and how to use them to pay for qualified medical expenses.

- What is an FSA?
- How do I enroll in an FSA?
- What are the rules for using my FSA funds?
- What are the types of expenses that can be paid for with my FSA funds?
- What are the consequences of not using my FSA funds?

### Making the Most of Your FSA

**Making the Most of Your FSA**  
This infographic provides tips and tricks to help you get the most out of your Flexible Spending Account.

- Use your FSA funds for qualified medical expenses.
- Keep receipts for all expenses paid for with your FSA funds.
- Use your FSA funds for a wide range of medical expenses.

### HSA Eligible Expenses

**HEALTH SAVINGS ACCOUNTS (HSA) WHAT'S ELIGIBLE?**  
This infographic lists the types of expenses that can be paid for with HSA funds.

- Medical services
- Prescription drugs
- Medical equipment
- Transportation
- Medical insurance
- Medical care
- Medical supplies
- Medical services
- Medical care
- Medical supplies

### HSA FAQ

**HSA Frequently Asked Questions**  
This infographic answers common questions about Health Savings Accounts (HSAs).

- What is an HSA?
- Who is eligible for an HSA?
- How do I enroll in an HSA?
- What are the rules for using my HSA funds?
- What are the consequences of not using my HSA funds?

### HSA Right for You

**Is an HSA Right for You?**  
This infographic helps you determine if an HSA is the right choice for you based on your financial situation and needs.

- Do I qualify for an HSA?
- How does an HSA work?
- What can I spend HSA funds on?
- What are the benefits of an HSA?

### Making the Most of Your HSA

**Making the Most of Your HSA**  
This infographic provides tips and tricks to help you get the most out of your Health Savings Account.

- Use your HSA funds for qualified medical expenses.
- Keep receipts for all expenses paid for with your HSA funds.
- Use your HSA funds for a wide range of medical expenses.

### Preventive Care and You

**Preventive Care & You**  
This infographic explains the importance of preventive care and how it can help you stay healthy and avoid chronic diseases.

- What is preventive care?
- What are the benefits of preventive care?
- What are the types of preventive care services?
- How can I get preventive care?

### Preventive Care Basics

**PREVENTIVE CARE BASICS: YOUR CHECKLIST**  
This infographic provides a checklist of preventive care services that you should get every year.

- Annual physical exam
- Cholesterol screening
- Blood pressure screening
- Diabetes screening
- Cancer screening
- Vaccinations

# Employee Communications Deliverables

## EMPLOYEE EDUCATION MATERIALS – Wellness Newsletters

### Avoiding Surprise Bills

### Diabetes Awareness

### Eye Health

### Financial Wellness

**USI**

#### How to Avoid Surprise Bills For Preventive Health Care

The Affordable Care Act (ACA) requires that certain preventive health care services be covered by health plans without cost sharing. This means that you should not have to pay for these services out of pocket. However, there are some situations where you might still be responsible for paying a bill. This guide explains how to avoid surprise bills for preventive health care.

**Key Takeaways:**

- Preventive health care services are generally covered without cost sharing.
- Check your plan's Summary of Benefits and Coverage (SBC) for a list of covered services.
- Make sure you are using in-network providers for preventive care.
- Check for any out-of-network charges before receiving care.
- Review your plan's rules regarding surprise billing.

**USI** **My Account**

#### Diabetes Awareness

Did you know? Over 100 million Americans have diabetes. It's a chronic condition that can lead to serious complications if not managed properly. This guide provides information on recognizing symptoms, getting tested, and managing your diabetes.

**Key Takeaways:**

- Recognize symptoms like frequent urination, thirst, and fatigue.
- Get tested for diabetes, especially if you have risk factors.
- Manage your diabetes with a combination of diet, exercise, and medication.
- Regularly monitor your blood sugar levels.

**USI** **My Account**

#### Don't Lose Sight of Your Eyes

Your eyes are one of your most precious assets. Regular eye exams can help detect vision problems early, before they become serious. This guide discusses the importance of eye health and provides tips for maintaining good vision.

**Key Takeaways:**

- Get regular eye exams, even if you don't wear glasses.
- Protect your eyes from UV light and eye injury.
- Follow your eye doctor's recommendations for treatment.
- Use proper eye hygiene to prevent infections.

**USI** **My Account**

#### Ready to Start Saving?

Start your money working for you today. With a 401(k) plan, you can save for retirement and take advantage of employer matching. This guide explains how to get started and make the most of your savings plan.

**Key Takeaways:**

- Enroll in your employer's 401(k) plan as soon as possible.
- Contribute regularly to your savings plan.
- Take advantage of your employer's matching contribution.
- Review your investment choices and rebalance your portfolio.

### Fitness

### Fruits and Veggies

### Hypertension

### Immunizations

**USI**

#### Physical Fitness

Regular physical activity is essential for maintaining good health and preventing chronic diseases. This guide provides information on the benefits of exercise and offers tips for staying motivated and safe.

**Key Takeaways:**

- Exercise helps improve heart health, reduce stress, and boost energy.
- Start with small steps and gradually increase your activity level.
- Choose activities you enjoy to make exercise a habit.
- Warm up and cool down to prevent injuries.

**USI**

#### Fruits & Veggies: More Matters!

Adding more fruits and vegetables to your diet can help reduce the risk of heart disease, diabetes, and other chronic conditions. This guide provides information on the health benefits of fruits and veggies and offers tips for incorporating them into your meals.

**Key Takeaways:**

- Fruits and veggies are rich in vitamins, minerals, and fiber.
- They help lower blood pressure and cholesterol.
- They can help with weight management and digestion.
- Try different varieties to find your favorites.

**USI**

#### Understanding the HYPE about Hypertension

Hypertension is a common condition that can lead to serious health problems if not managed. This guide explains what hypertension is, how it's diagnosed, and how to manage it effectively.

**Key Takeaways:**

- Hypertension is often called the "silent killer" because it has no symptoms.
- Regular blood pressure checks are essential for early detection.
- Management includes lifestyle changes and medication.
- Staying on top of your treatment is key to preventing complications.

**USI**

#### Putting "U" in Immunization

Staying up-to-date on your immunizations is one of the best ways to protect yourself and your family from preventable diseases. This guide provides information on the importance of immunizations and offers tips for staying current.

**Key Takeaways:**

- Immunizations help your body fight off infections.
- They are especially important for children, pregnant women, and older adults.
- Check with your doctor to see if you need any updates.
- Get vaccinated before traveling to certain countries.

### Mindfulness

### Nutrition

### Preventive Care

### Preventive Care Fact Sheet

**USI**

#### Mindful of Mindset

Mindfulness is a practice that can help reduce stress, improve focus, and enhance overall well-being. This guide provides information on the benefits of mindfulness and offers tips for incorporating it into your daily life.

**Key Takeaways:**

- Mindfulness helps you stay present and aware of your thoughts and feelings.
- It can help reduce stress and anxiety.
- Practice simple techniques like deep breathing and meditation.
- Be consistent and patient with your practice.

**USI**

#### Nutrition

Good nutrition is essential for maintaining good health and preventing chronic diseases. This guide provides information on the importance of a balanced diet and offers tips for making healthy food choices.

**Key Takeaways:**

- Eat a variety of fruits, vegetables, whole grains, and lean proteins.
- Limit your intake of saturated fats, sodium, and added sugars.
- Stay hydrated by drinking plenty of water.
- Read food labels to understand what you're eating.

**USI**

#### Preventive Care

Preventive care is the key to staying healthy and avoiding serious health problems. This guide provides information on the importance of regular check-ups and offers tips for staying on top of your preventive care.

**Key Takeaways:**

- Regular preventive care can help detect health problems early.
- It can help you make informed decisions about your health.
- Stay on top of your vaccinations and screenings.
- Follow your doctor's recommendations for lifestyle changes.

**USI**

#### The Wealth of Preventive Health

Investing in your preventive health is one of the best ways to protect your future. This fact sheet provides information on the benefits of preventive care and offers tips for staying healthy.

**Key Takeaways:**

- Preventive care can help you avoid costly medical treatments.
- It can help you live longer and enjoy a better quality of life.
- Regular check-ups and screenings are essential for early detection.
- Follow your doctor's recommendations for lifestyle changes.