ADAMS COUNTY
PROFESSIONAL SERVICE AGREEMENT
FOR EMPLOYEE HEALTH AND WELFARE BROKER SERVICES

THIS AGREEMENT ("Agreement") #2019.013 is made this 11 day of June 2019, by and between the Adams County Board of County Commissioners, located at 4430 South Adams County Parkway, Brighton, Colorado 80601, hereinafter referred to as the "County," and Mountain West Series of Lockton Companies, LLC, located at 8110 East Union Avenue, Suite 700, Denver, Colorado 80237, hereinafter referred to as the "Contractor." The County and the Contractor may be collectively referred to herein as the "Parties."

The County and the Contractor, for the consideration herein set forth, agree as follows:

1. **SERVICES OF THE CONTRACTOR:**

   1.1. All work shall be in accordance with the attached RFP 2019.013 and the Contractor's response to the RFP 2019.013 attached hereto as Exhibit A and incorporated herein by reference. Should there be any discrepancy between Exhibit A and this Agreement the terms and conditions of this Agreement shall prevail.

   1.2. Emergency Services: In the event the Adams County Board of County Commissioners declares an emergency, the County may request additional services (of the type described in this Agreement or otherwise within the expertise of the Contractor) to be performed by the Contractor. If the County requests such additional services, the Contractor shall provide such services in a timely fashion given the nature of the emergency, pursuant to the terms of this Agreement. Unless otherwise agreed to in writing by the parties, the Contractor shall bill for such services at the rates provided for in this Agreement.

2. **RESPONSIBILITIES OF THE COUNTY:** The County shall provide information as necessary or requested by the Contractor to enable the Contractor's performance under this Agreement.

3. **TERM:**

   3.1. Term of Agreement: The Term of this Agreement shall be for one-year from the date first written above.

   3.2. Renewal Option: The County, at its sole option, may offer to renew this Agreement as necessary for up to four, one-year renewals providing satisfactory service is given and all terms and conditions of this Agreement have been fulfilled. Such renewals must be mutually agreed upon in writing by the County and the Contractor.

4. **PAYMENT AND FEE SCHEDULE:** The County shall pay the Contractor for services furnished under this Agreement, and the Contractor shall accept as full payment for those services, the sum of $120,000.00.

   4.1. Payment pursuant to this Agreement, whether in full or in part, is subject to and contingent upon the continuing availability of County funds for the purposes hereof. In the event that funds become unavailable, as determined by the County, the County may immediately terminate this Agreement or amend it accordingly.

5. **INDEPENDENT CONTRACTOR:** In providing services under this Agreement, the Contractor acts as an independent contractor and not as an employee of the County. The Contractor shall be solely and entirely responsible for his/her acts and the acts of his/her employees, agents, servants, and subcontractors during the term and performance of this Agreement. No employee, agent, servant, or subcontractor of the Contractor shall be deemed to be an employee, agent, or servant of the County because of the performance of any services or work under this Agreement. The Contractor, at its expense, shall procure and maintain workers' compensation insurance as required by law. **Pursuant to the Workers' Compensation Act § 8-40-202(2)(b)(IV), C.R.S., as amended, the Contractor understands that it and its employees and servants are not entitled to workers' compensation benefits from the County. The Contractor further understands that it is solely obligated for the payment of federal and state income tax on any moneys earned pursuant to this Agreement.**

6. **NONDISCRIMINATION:**

   6.1. **The Contractor shall not discriminate against any employee or qualified applicant for employment because of age, race, color, religion, marital status, disability, sex, or national origin. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices provided by the local public agency setting forth the provisions of this nondiscrimination clause. Adams County is an equal opportunity employer.**

      6.1.1. The Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

7. **INDEMNIFICATION:** The Contractor agrees to indemnify and hold harmless the County, its officers, agents, and employees for, from, and against any and all claims, suits, expenses, damages, or other liabilities, including reasonable attorney fees and court costs, arising out of damage or injury to persons, entities, or tangible property, caused or sustained by any person(s) as a result of the Contractor's performance or failure to perform pursuant to the terms of this Agreement .

8. **INSURANCE:** The Contractor agrees to maintain insurance of the following types and amounts:

8.1. Commercial General Liability Insurance: to include products liability, completed operations, contractual, broad form property damage and personal injury.

8.1.1. Each Occurrence:	$1,000,000
8.1.2. General Aggregate:	$2,000,000

8.2. Comprehensive Automobile Liability Insurance: to include all motor vehicles owned, hired, leased, or borrowed.

8.2.1. Bodily Injury/Property Damage:	$1,000,000 (each accident)
8.2.2. Personal Injury Protection:	Per Colorado Statutes

8.3. Workers' Compensation Insurance: Per Colorado Statutes

8.4. Professional Liability Insurance: to include coverage for damages or claims for damages arising out of the rendering, or failure to render, any professional services, as applicable.

8.4.1. Each Occurrence: $1,000,000

8.4.2. This insurance requirement applies only to the Contractors who are performing services under this Agreement as professionals licensed under the laws of the State of Colorado, such as physicians, lawyers, engineers, nurses, mental health providers, and any other licensed professionals.

8.5. Adams County as "Additional Insured": The Contractor's commercial general liability, and comprehensive automobile liability, insurance policies and/or certificates of insurance shall be issued to include Adams County as an "additional insured" and shall include the following provisions:

8.5.1. Underwriters shall have no right of recovery or subrogation against the County, it being the intent of the parties that the insurance policies so affected shall protect both parties and be primary coverage for any and all losses resulting from the actions or negligence of the Contractor.

8.5.2. The insurance companies issuing the policy or policies shall have no recourse against the County for payment of any premiums due or for any assessments under any form of any policy.

8.5.3. Any and all deductibles contained in any insurance policy shall be assumed by and at the sole risk of the Contractor.

8.6. Licensed Insurers: All insurers of the Contractor must be licensed or approved to do business in the State of Colorado. Upon failure of the Contractor to

furnish, deliver and/or maintain such insurance as provided herein, this Agreement, at the election of the County, may be immediately declared suspended, discontinued, or terminated. Failure of the Contractor in obtaining and/or maintaining any required insurance shall not relieve the Contractor from any liability under this Agreement, nor shall the insurance requirements be construed to conflict with the obligations of the Contractor concerning indemnification.

8.7. Endorsement: Each insurance policy herein required shall be endorsed to state that coverage shall not be canceled without notice of cancellation in accordance with policy provisions.

8.8. Proof of Insurance: At any time during the term of this Agreement, the County may require the Contractor to provide proof of the insurance coverage required under this Agreement.

9. DAMAGES ARISING FROM BREACH OF PERFORMANCE OBLIGATIONS

9.1. Notwithstanding anything else set forth in this Agreement, if Contractor fails to comply with all terms of this contract, including but not limited to, its obligation to perform its work in a workmanlike manner in accordance with all codes, plans, specifications and industry standards, Contractor shall be liable to County for all damages arising from the breach, including but not limited to, all attorney fees, costs and other damages.

10. TERMINATION:

10.1. For Cause: If, through any cause, the Contractor fails to fulfill its obligations under this Agreement in a timely and proper manner, or if the Contractor violates any of the covenants, conditions, or stipulations of this Agreement, the County shall thereupon have the right to terminate this Agreement, after providing Contractor written notice of the breach and thirty (30) days to cure the breach. If Contractor cannot cure the breach, County shall have the right to terminate this Agreement upon giving written notice to the Contractor of such termination and specifying the effective date thereof.

10.2. For Convenience: The County may terminate this Agreement at any time by giving written notice as specified herein to the other party, which notice shall be given at least thirty (30) days prior to the effective date of the termination. If this Agreement is terminated by the County, the Contractor will be paid an amount that bears the same ratio to the total compensation as the services actually performed bear to the total services the Contractor was to perform under this Agreement, less payments previously made to the Contractor under this Agreement.

11. MUTUAL UNDERSTANDINGS:

11.1. Jurisdiction and Venue: The laws of the State of Colorado shall govern as to the interpretation, validity, and effect of this Agreement. The parties agree that

jurisdiction and venue for any disputes arising under this Agreement shall be with Adams County, Colorado.

11.2. Compliance with Laws: During the performance of this Agreement, the Contractor agrees to strictly adhere to all applicable federal, state, and local laws, rules and regulations, including all licensing and permit requirements. The parties hereto aver that they are familiar with § 18-8-301, et seq., C.R.S. (Bribery and Corrupt Influences), as amended, and § 18-8-401, et seq., C.R.S. (Abuse of Public Office), as amended, the Clean Air Act (42 U.S.C. 7401-7671q), and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended, and that no violation of such provisions are present. The Contractor warrants that it is in compliance with the residency requirements in §§ 8-17.5-101, et seq., C.R.S. Without limiting the generality of the foregoing, the Contractor expressly agrees to comply with the privacy and security requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Contractor and County agree to enter into a mutually agreeable Business Associate Agreement as required by HIPAA, if and when appropriate.

11.3. Record Retention: The Contractor shall maintain records and documentation of the services provided under this Agreement, including fiscal records, and shall retain the records for a period of three (3) years from the date this Agreement is terminated. Said records and documents shall be subject at all reasonable, mutually agreeable times during normal business hours to inspection, review, or audit by authorized Federal, State, or County personnel with prior advance written notice to Contractor.

11.4. Assignability: Neither this Agreement, nor any rights hereunder, in whole or in part, shall be assignable or otherwise transferable by the Contractor without the prior written consent of the County.

11.5. Waiver: Waiver of strict performance or the breach of any provision of this Agreement shall not be deemed a waiver, nor shall it prejudice the waiving party's right to require strict performance of the same provision, or any other provision in the future, unless such waiver has rendered future performance commercially impossible.

11.6. Force Majeure: Neither party shall be liable for any delay or failure to perform its obligations hereunder to the extent that such delay or failure is caused by a force or event beyond the control of such party including, without limitation, war, embargoes, strikes, governmental restrictions, riots, fires, floods, earthquakes, or other acts of God.

11.7. Notice: Any notices given under this Agreement are deemed to have been received and to be effective:

1) Three (3) days after the same shall have been mailed by certified mail, return receipt requested;

2) Immediately upon hand delivery; or

3) Immediately upon receipt of confirmation that an E-mail was received. For the purposes of this Agreement, any and all notices shall be addressed to the contacts listed below:

Department: Adams County People and Culture Services
Contact: Cindy Bero
Address: 4430 South Adams County Parkway
City, State, Zip: Brighton, Colorado 80601
Phone: 720-523-6076
E-mail: cbero@adcogov.org

Department: Adams County Purchasing
Contact: Anna Forristall
Address: 4430 South Adams County Parkway
City, State, Zip: Brighton, Colorado 80601
Phone: 720-523-6297
E-mail: aforristall@adcogov.org

Department: Adams County Attorney's Office
Address: 4430 South Adams County Parkway
City, State, Zip: Brighton, Colorado 80601
Phone: 720.523.6116

Contractor: Mountain West Series of Lockton Companies, LLC
Contact: Mark Bundy
Address: 8110 East Union Avenue, Suite 700
City, State, Zip: Denver, Colorado 80237-2984
Phone: 303-414-6020 or 303-378-7593
E-mail: mbundy@lockton.com

11.8. Integration of Understanding: This Agreement contains the entire understanding of the parties hereto and neither it, nor the rights and obligations hereunder, may be changed, modified, or waived except by an instrument in writing that is signed by the parties hereto.

11.9. Severability: If any provision of this Agreement is determined to be unenforceable or invalid for any reason, the remainder of this Agreement shall remain in effect, unless otherwise terminated in accordance with the terms contained herein.

11.10. Authorization: Each party represents and warrants that it has the power and ability to enter into this Agreement, to grant the rights granted herein, and to perform the duties and obligations herein described.

11.11. Confidentiality: All documentation related to this Agreement will become the property of Adams County. All documentation maintained or kept by Adams County shall be subject to the Colorado Open Records Act, C.R.S. 24-72-201 *et seq.* ("CORA"). The County does not guarantee the confidentiality of any records.

12. AMENDMENTS, CHANGE ORDERS OR EXTENSIONS:

12.1. Amendments or Change Orders: The County may, from time to time, require changes in the scope of the services of the Contractor to be performed herein including, but not limited to, additional instructions, additional work, and the omission of work previously ordered. The Contractor shall be compensated for all authorized changes in services, pursuant to the applicable provision in the Solicitation, or, if no provision exists, pursuant to the terms of the Amendment or Change Order.

12.2. Extensions: The County may, upon mutual written agreement by the parties, extend the time of completion of services to be performed by the Contractor.

13. COMPLIANCE WITH C.R.S. § 8-17.5-101, ET. SEQ. AS AMENDED 5/13/08:

Pursuant to Colorado Revised Statute (C.R.S.), § 8-17.5-101, *et. seq.*, as amended May 13, 2008, the Contractor shall meet the following requirements prior to signing this Agreement (public contract for service) and for the duration thereof:

13.1. The Contractor shall certify participation in the E-Verify Program (the electronic employment verification program that is authorized in 8 U.S.C. § 1324a and jointly administered by the United States Department of Homeland Security and the Social Security Administration, or its successor program) or the Department Program (the employment verification program established by the Colorado Department of Labor and Employment pursuant to C.R.S. § 8-17.5-102(5)) on the attached certification.

13.2. The Contractor shall not knowingly employ or contract with an illegal alien to perform work under this public contract for services.

13.3. The Contractor shall not enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this public contract for services.

13.4. At the time of signing this public contract for services, the Contractor has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this public contract for services through participation in either the E-Verify Program or the Department Program.

13.5. The Contractor shall not use either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this public contract for services is being performed.

13.6. If the Contractor obtains actual knowledge that a subcontractor performing work under this public contract for services knowingly employs or contracts with an illegal alien, the Contractor shall: notify the subcontractor and the County within three (3) days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to the previous paragraph, the subcontractor does not stop employing or contracting with the illegal alien; except that the Contractor shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

13.7. Contractor shall comply with any reasonable requests by the Department of Labor and Employment (the Department) made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. § 8-17.5-102(5).

13.8. If Contractor violates this Section, of this Agreement, the County may terminate this Agreement for breach of contract. If the Agreement is so terminated, the Contractor shall be liable for actual and consequential damages to the County.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

IN WITNESS WHEREOF, the Parties have caused their names to be affixed hereto:

ADAMS COUNTY COLORADO
COUNTY MANAGER

Raymond H. Gonzales — Date 06/11/2019

MOUNTAIN WEST SERIES OF LOCKTON COMPANIES, LLC

Signature — Date 6/5/19

MARK BUNDY — Printed Name

EXECUTIVE VICE PRESIDENT — Title

Attest:
Josh Zygielbaum, Clerk and Recorder

Deputy Clerk

Approved as to Form:

Adams County Attorney's Office

NOTARIZATION OF CONTRACTOR'S SIGNATURE:

COUNTY OF Denver **) STATE OF** Colorado **)SS.**

Signed and sworn to before me this 6th **day of** June**, 2019,**

by Mark Bundy**,**

Rita L. Guthrie, Notary Public

Notary Public

My commission expires on:

RITA LOIS GUTHRIE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19994015542
MY COMMISSION EXPIRES JUNE 1, 2023

CONTRACTOR'S CERTIFICATION OF COMPLIANCE

Pursuant to Colorado Revised Statute, § 8-17.5-101, *et.seq.*, as amended 5/13/08, as a prerequisite to entering into a contract for services with Adams County, Colorado, the undersigned Contractor hereby certifies that at the time of this certification, Contractor does not knowingly employ or contract with an illegal alien who will perform work under the attached contract for services and that the Contractor will participate in the E-Verify Program or Department program, as those terms are defined in C.R.S. § 8-17.5-101, *et. seq.* in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the attached contract for services.

CONTRACTOR:

MOUNTAIN WEST SERIES of LOCKTON COMPANIES, LLC
Company Name

6/5/19
Date

Signature

MARK BUNDY
Name (Print or Type)

EXECUTIVE VICE PRESIDENT
Title

Note: Registration for the E-Verify Program can be completed at:
https://www.vis-dhs.com\employerregistration.

It is recommended that employers review the sample "memorandum of understanding" available at the website prior to registering

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL ADDENDUM ONE

RFP Issue Date:	**January 30, 2019**
RFP Number:	**RFP-AF-2019-013**
RFP Title:	**EMPLOYEE HEALTH AND WELFARE BROKER SERVICES**
RFP Questions Due:	**February 14, 2019 at 5:00pm MT**
Proposal will be received until:	~~**February 21, 2019 at 2:00pm MT**~~ **FEBRUARY 28, 2019 at 2:00pm MT** (Time according to our Clock) Adams County Government Center Central Front Lobby Desk 4430 South Adams County Parkway, Brighton, CO 80601
For additional information please contact:	Anna Forristall, Contract Specialist III 720-523-6297 aforristall@adcogov.org

CONTRACTOR IS RESPONSIBLE FOR OBTAINING AND ACKNOWLEDGING RECEIPT OF ALL SUBSEQUENT ADDENDA FROM THE ROCKY MOUNTAIN E-PURCHASING SYSTEM (BIDNET). FAILURE TO ACKNOWLEDGE ALL ADDENDUM/ADDENDA MAY DEEM THE CONTRACTOR NON-RESPONSIVE. ADDENDUM/ADDENDA SHALL BE ACKNOWLEDGED ON THE CONTRACTOR'S STATEMENT FORM IN THE SPACE PROVIDED.

ADDENDUM #1

The purpose of this addendum is to change the due date and time regarding RFP-AF-2019-013 EMPLOYEE HEALTH AND WELFARE BROKER SERVICES.

The new due date and time shall be:

FEBRUARY 28, 2019 at 2:00pm MT,
Adams County Government Center
Central Front Lobby Desk
4430 South Adams County Parkway,
Brighton, CO 80601

Please incorporate this information into your RFP response.

END OF ADDENDUM NO. ONE

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL ADDENDUM TWO

RFP Issue Date:	**January 30, 2019**
RFP Number:	**RFP-AF-2019-013**
RFP Title:	**EMPLOYEE HEALTH AND WELFARE BROKER SERVICES**
RFP Questions Due:	**February 14, 2019 at 5:00pm MT**
Proposal will be received until:	~~**FEBRUARY 28, 2019 at 2:00pm MT**~~ **MARCH 5, 2019 at 2:00pm MT** (Time according to our Clock) Adams County Government Center Central Front Lobby Desk 4430 South Adams County Parkway, Brighton, CO 80601
For additional information please contact:	Anna Forristall, Contract Specialist III 720-523-6297 aforristall@adcogov.org

CONTRACTOR IS RESPONSIBLE FOR OBTAINING AND ACKNOWLEDGING RECEIPT OF ALL SUBSEQUENT ADDENDA FROM THE ROCKY MOUNTAIN E-PURCHASING SYSTEM (BIDNET). FAILURE TO ACKNOWLEDGE ALL ADDENDUM/ADDENDA MAY DEEM THE CONTRACTOR NON-RESPONSIVE. ADDENDUM/ADDENDA SHALL BE ACKNOWLEDGED ON THE CONTRACTOR'S STATEMENT FORM IN THE SPACE PROVIDED.

ADDENDUM #2

The purpose of this addendum is to answer all vendor-submitted questions regarding RFP-AF-2019-013 EMPLOYEE HEALTH AND WELFARE BROKER SERVICES and to change the Due date of the RFP.

1. Please break out number of lives (Employees and dependents from KP to UHC)
   A)

PLAN	# EE's	# DEP's	TOTAL
KP HMO	1036	1266	2302
UHC Doctor Plan	35	32	67
UHC HDHP/HAS	57	53	110
UHC EPO	707	852	1559
Waived	218		218
Totals	2053	2203	4256

2. P.13, #4.c. asks for professional staff to be assigned on a full time basis. Does this mean that you are looking for one or more individuals to work exclusively on Adams County?
   A) No. We just want to know if we will have a set group of individuals working on our account or just a pool of individuals that isn't set.

3. Is there a weighting of the criteria per VII. Evaluation Process? If no specific weighting, what will be emphasized in selection?
   A) There are no weights on these criteria; however, numbers two and three will have an emphasis.

4. Please provide information on the current structure of the early retiree and Medicare programs including benefits offered, carriers, funding (fully insured or self funded), any retiree accounts, and any other information specific to these programs.
   A)

EARLY RETIREE	MEDICARE/PART D	MEDIGAP
Self Funded - UHC	Fully Insured-UHC and KP	Fully Insured-UHC and KP
Fully Insured – KP	Paid 100% by retiree	Paid 100% by retiree
Same plans as active		
Premium partially blended		
$50 County subsidy		

5. Please explain the specific services required to support early retiree coverage.
   A) The County is looking for expertise in funding options, calculation of liability, administration options.

6. Please explain the specific services required for support Medicare coverage.
   A) The County is looking for expertise in administration options and plan options.

7. Please explain the types of services required for liaison and advocate services.
   A) This would include assistance with clarification if we don't understand something from a plan document, being an advocate if we would like something changed with a carrier or disagree with the carrier on an issue regarding claims.

8. The scope indicates you require benchmarking for paid leave and other benefit programs. Since paid leave is not a part of a health & welfare program, please clarify if your intent is to have non-health & welfare services benchmarked. If so, what other benefits outside of health & welfare do you need benchmarked? Can the benchmarking be limited to a subset of Front Range public entities?
   A) While paid leave isn't a health and welfare program, many consultant services provide survey data on what is being offered for paid leave as part of an employer's total benefits package. A benchmark to Front Range public employers is helpful. At this time, the County doesn't have any other items we would request for benchmarking.

9. What support for the Employee Health Clinic will you require?
   A) Working with clinic administration and carriers to develop reporting on trends, meaning behind data, ROI, goal setting.

10. How does Adams County operate Open Enrollment annually and ongoing? Is it technology based, face-to-face meetings? If face-to-face, how many meeting locations are there?
   A) Open enrollment is done online and we are in the process of bringing new hire enrollment online. We currently only have face-to-face meetings and the HR Department presents those.

11. Do you currently use a technology vendor (benefit administration)? If so, what is the vendor/system name? Are you looking to change and if so, when?
   A) Our HR/Payroll system is JD Edwards – an Oracle product. We are not looking to change. However, we would like to look into a separate enrollment system that provides employees with enrollment assistance that integrates with JDE.

12. How many open enrollment meetings on average do you want your broker to attend?
   A) None.

13. Q3 asks how the account will be handled. Please clarify the type of information you would like to have addressed.
   A) How the service team is structured and role of each person.

14. Q5 asks for additional services. Please clarify the types of additional services that may interest you.
   A) Dependent audit, enrollment system RFP, FMLA/LOA management system RFP.

15. Q9 asks about how we approach the marketplace. Q22 asks about renewals and negotiations. Since they are all part of the same process, please clarify the information (differences) each question should address.

A) Q9 and Q22 can be combined. Q9 should include if there is a philosophy on how you work with carriers, and what is required from the County during the process. Q22 would include steps in your process and timing.

16. Q11 asks for how insurers are evaluated for financial integrity and acceptable capability. Since Adams County is only fully insured with Kaiser and self funds the other plan, please explain what type of financial review you are looking for since the risk is borne by the County, not the carrier.

A) For the fully insured plans – including STD, LTD, Life, we want to ensure the carriers have the financial stability to pay their commitments. Does your organization look at financial ratings/years in business? This would also be important if we ever in the future decide to look at offering LTC.

17. Q13 requests online benefits services. Please clarify what this means.

A) This would include enrollment platforms, resources/reference materials.

18. Why are you seeking proposals at this time?

A) We are currently required to go out to RFP every three years. Going forward it will be five years.

19. What is the benefit plan year?

A) January 1st

20. Please state the percentage of employees enrolled in Kaiser Medical vs. UHC self-insured medical plan?

A) KP – 50%, UHC – 39%, Waived – 11%

21. Are retirees eligible for coverage under the plan? If so:

a. Only those under age 65?

A) We have a pre-65 retiree medical plan

b. Under age 65 & those 65 & older?

A) We also offer Medicare, MediGap and Part D plans for those 65+

22. Are there any other benefit programs for which we would have responsibility:

a. Other voluntary benefits, i.e. critical illness, accident, hospital, etc. – please elaborate

A) AFLAC, retiree health, wellness

b. Other

A) N/A

23. Scope of Services:

a. Do you have in place a benefit advisory committee? If so, to what extent are we to attend meetings, and roughly how often does the committee meet annually?

A) Yes. They meet approximately twice per year and we have our broker attend both or at least when there are critical meetings.

b. Please confirm that formal RFP related services for carriers/vendors are to be contemplated in our core fees. Further, please provide an indication as to the timing and frequency for each line of coverage/service.

A) Yes, formal RFP related services are contemplated in the core fees. We get updated pricing annually unless we are in a rate guarantee.

c. Does the County offer any benefits that result in a GASB 75 OPEB liability?

A) Yes

If so, please:

i. Indicate if the County is interested in capabilities and services associated with conducting GASB 75 actuarial valuations.

A.)Yes

B) Describe the benefit provisions relative to retirees.

A) We offer the same health plans to pre-65 retirees as is offered to our active employees.

24. Onsite Clinic

a. What vendor manages your current onsite clinic?

A) CareHere

b. In what capacity is the clinic providing services? PCP, urgent care, Rx, wellness. etc?

A) PCP, limited Rx, some chronic conditions such as diabetes

c. What percent of your population seeks PCP services through the County's onsite clinic?

A) 84% of employees are registered to use the clinics.

d. Can you briefly explain the relationships and shared services/programs between your onsite health clinic and the wellness department? (i.e. biometric screening and reporting, documentation of preventive services for wellness rewards/points, goal setting, fitness measurements, routine fitness exams, HRA completion etc.)

A) We provide wellness incentives for blood draws done at the clinic and the CareHere HRA. We are currently looking to use Springbuk.

e. Has the onsite clinic complied with a HIPAA security audit?

A) I'm not sure.

f. Does your current broker/consultant evaluate the effectiveness of the onsite clinic through data metrics?

A) Yes

If not, does the County use a separate vendor for the evaluation of effective operations and ROI?
A)In addition, we are looking to develop metrics to measure the effectiveness of all of our wellness programs.

g. Please explain if and how the current medical plan data (both UHC and Kaiser) is warehoused and how it is integrated and accessed with the onsite clinic data.
A) Our broker currently houses the UHC, KP and clinic data. We are in the process of better utilizing this data.

25. What members (by title/role within the organization) of the County's team will be involved in the evaluation and selection process?
A) People Director, Finance Director, Benefits Administrator, Benefits Manager and possible the Deputy County Manager

26. What are all sources and amounts of compensation received by the current consultant for each of the two most recently completed plan years?
A) We pay a flat $115,000 per year.

Were the scope of services comparable to that contemplated in your RFP?
A. Yes

27. Is there a preference as to the form of our compensation – i.e., fixed fees, commissions, etc.?
A. Fixed fees.

28. How many total employees does the County employ?
A.Approximately 2,200

1. How many employees are full time vs. part time?
A.Fulltime – 2063, Partime – 35, Temp – 108

29. How many employees are benefits eligible?
A. 2,053

30. How many employees are currently enrolled in each medical plan?

PLAN	# EE's	# DEP's	TOTAL
KP HMO	1036	1266	2302
UHC Doctor Plan	**35**	32	67
UHC HDHP/HAS	57	53	110
UHC EPO	707	852	1559
Waived	218		218
Totals	2053	2203	4256

31. How do your employees currently enroll in benefits for open enrollment and life events? (paper, phone, online tool?)

A. Open enrollment is online. New hire is currently paper but we are preparing to move to new hire online enrollment this year.

32. If the County provides an online tool for enrollment, who is your vendor?
A. JD Edwards

33. The County mentioned that as part of your wellness program, you provide clinics. Are these near-site clinics or on-site clinics?
A. On-site

34. Who is your vendor/provider for these clinics?
A. CareHere

35. How long have the clinics been in place?
A. Approximately three years

36. The County stated that your wellness program includes clinics and fitness centers. What other wellness program tools do you offer? (For example biometric screening? Weight loss programs? Etc.)
A. We offer lunch-and-learns, health awareness days, fitness challenges, nutritionist, HRA

37. Would you like your new partner to create and provide open enrollment materials such as open enrollment guides or would you prefer your new partner to review, peer and update materials that the County creates in-house?
A. Create new materials

Would you like your new partner to attend/run your open enrollment meetings on-site or, do you prefer to have your partner prepare your benefits team to run the meetings? If you would like your partner to attend in person, how many OE meetings do you plan to host? How many unique locations?
A.Our benefits team will attend/run OE meetings

38. Based on the documents provided, it appears that the County has two retirement plans (one for pre and one for post 65). How many participants do you have on each plan?
A. Approximately 600

39. Are these plans offered through a group policy(s) or through a Retiree exchange with individual plans?
A. Offered through group policies

40. On page 14, Scope point 11, the County requests that the new partner attend monthly and quarterly meetings. **This would suggest 16 self-funded review meetings per year**. Please confirm this number. Would these meetings be attended by your new partner on-site or by phone?
A. We won't have standard, monthly meetings. Routine meetings can be done via conference call.

41. On page 12 of the Statement of Work document, Section II, bullet 5, the County refers to the Reference Form, which we did find attached, requesting 3 references. In addition, on page 17, question 16 requests 4 current client references, in addition to 2 terminated clients. Please clarify if the County would like 3 **or** 4 current client references or if you would like a total of 7 references. If you would like 7, please indicate how the 3 references for the Reference Form should be differentiated from the 4 references from question 16.
A. Please provide 4 current and 2 terminated

42. If you would like a total of 7 references plus the 2 terminated client references, would you prefer that RFP respondents create copies of your Reference Form or would Adam's county be willing to prefer to provide an updated form with the number of reference slots desired?
A. n/a

43. Would the County be able to provide **WORD** versions of all forms so that data can be entered directly into the forms for legibility? For example, the Pricing Form, the Vendor Information Form and Reference Form?
A. Please provide an email to the Contract Specialist named on the first page of the RFP with your specific document request in word.

44. On page 3 section 6.1 and on page 13 it is made clear that no pricing information can be placed in the response and must only be placed in the pricing sealed envelope. However, on page 17, question 13, the Country requests each firm to include costs of services for online benefits services and dependent audits. Please clarify if you would prefer ALL pricing (in and out of scope) to be placed in the pricing envelope or if you would prefer out of scope pricing (for example those services referred to in question 13) to be mentioned directly in the text of the response.
A) ALL pricing belongs within the sealed envelope. All pricing in and out of scope within the sealed envelope, please.

45. The County requested 5 total printed copies plus an electronic copy. Can you please confirm that you want your electronic copy in USB/CD form instead of an emailed copy?
A. No email proposals please. The County will not consider email proposals. The USB/CD is for file purposes only for the Purchasing Division.

46. Please confirm that pricing information is a single copy, in the sealed envelope, with no electronic backup.
A. Pricing may be sent in the USB/CD electronic proposal file if desired; this electronic file is for storage purposes only; however, no pricing should appear anywhere in your hard copy proposal documents.

47. Please help us understand when your last RFP was issued and the RFPs that may be required for each line of coverage over the next 4-year period?

Coverage	Year of Last RFP	Year of Next RFP
Third-Party Administrator and Network		

(Medical)		
Carved Out (Unbundled) Pharmacy		
Dental		
Vision		
Life & AD&D		
Disability		
Stop Loss		
Other (please specify):		

A) We get new pricing every year for every line of coverage unless we have a rate guarantee in place. Since we just added two new plans with UHC in 2019, we just plan on doing a price-check with other medical carriers/TPA's for 2020.

48. Does your current broker's fee include the cost of RFPs/marketing activities or are these billed separately only in the years in which the services are provided?
A) Broker fees are billed separately.

49. What new coverage/service or plan changes (other than changes within plan design such as deductibles) have been made within the past two years?
A) We added a HDHP/HSA and a narrow-network plan in 2019.

50. Please provide samples or briefly describe the open enrollment and/or educational materials regarding appropriate plan utilization (if any) that are currently provided.
A) We provide an annual benefits guide for all employees and do on-site presentations at all our locations.

51. Has the County maintained ACA grandfathered plan status for any of your medical plans?
A) Yes, Kaiser HMO.

52. Is your current data warehouse able to integrate claims and encounter from all sources including Kaiser and your clinic? Is this still Springbuk? Is the data warehouse currently meeting your needs?
A) Yes it is, although we have challenges with getting data from Kaiser.

53. Does your current fee arrangement with your broker include a monthly retainer as well as commissions or "supplemental income" (sources of income paid directly to your broker from carrier)?
A) We pay a monthly fee to our broker and there are no sources of supplemental income.

54. We understand public procurement rules and the prudent exercise of marketing your brokerage / consulting services. In addition to these needs, can you please help us understand any service improvement or enhancements that you hope to gain through this solicitation?

A) We are always looking for new ideas and solutions to our challenges. Specifically, wellness and retiree health insurance.

55. What consulting/brokerage services that are outside the scope of this RFP have been incurred over the past two years, and what (if any) are anticipated over the next four years (i.e. GASB 75, self-funded claims audit, etc.)?
    A) There have not been any services provided outside of the scope of services in the past two years. As of right now, we haven't identified any additional services that we will need.

56. What significant plan changes are anticipated over the next four years :(i.e. reduction or increase in number of plan choices, new line of coverage, changes in funding or your dual carrier offering, carve-out of pharmacy benefits, direct, tiered or narrow networks, etc.?)
    A) We have not identified any additional significant plan changes as of now.

The new due date and time shall be:

MARCH 5, 2019 at 2:00pm MT, (Time according to our Clock)
Adams County Government Center
Central Front Lobby Desk
4430 South Adams County Parkway,
Brighton, CO 80601

Please incorporate this information into your RFP response.

END OF ADDENDUM #2

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL COVER SHEET

RFP Issue Date:	**January 30, 2019**
RFP Number:	**RFP-AF-2019-013**
RFP Title:	**EMPLOYEE HEALTH AND WELFARE BROKER SERVICES**
RFP Questions Due:	**February 14, 2019 at 5:00pm MT**
Proposal will be received until:	**February 21, 2019 at 2:00pm MT** (Time according to our Clock) Adams County Government Center Central Front Lobby 4430 South Adams County Parkway, Brighton, CO 80601
For additional information please contact:	Anna Forristall, Contract Specialist III 720-523-6297 aforristall@adcogov.org
Documents included in this package:	Proposal Instructions General Terms and Conditions Statement of Work (SOW) Pricing Form Contractor's Certificate of Compliance Contractor's Statement References Form Appendix A – Sample Agreement Appendix B – Vendor Information Form

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

PROPOSAL INSTRUCTIONS

1. PURPOSE/BACKGROUND: The Adams County Board of Commissioners by and through its Purchasing Division of the Finance Department is accepting proposals for the purchase of **EMPLOYEE HEALTH AND WELFARE BROKER SERVICES** as specified herein from a source of supply that will provide prompt and efficient service to the County.

2. SUBMISSION OF PROPOSALS: The proposal must be received before the due date and time as specified in this Solicitation. The Contractor is responsible for addressing the envelope as indicated below. If the submittal arrives late, it may be returned unopened. Address the envelope(s) as follows:

Mailing Address:
Adams County Government Center
Purchasing Division
4430 South Adams County Parkway
Brighton, CO 80601
ATTN: Anna Forristall
Contract Specialist III
RFP-AF-2019-013

Hand Deliveries accepted:
Adams County Government Center
First Floor Central Lobby Receptionist
4430 South Adams County Parkway
Brighton, CO 80601
ATTN: Anna Forristall
Contract Specialist III
RFP-AF-2019-013

3. All documents related to this RFP will be posted on BidNet at: http://www.bidnetdirect.com/colorado/solicitations/open-bids

   3.1. Interested parties must register with this service (free) to view and download these documents.

4. TERM OF AGREEMENT: This is a one year agreement with the option of four one year renewals.

   4.1. OPTION TO RENEW FOR FOUR (4) SUBSEQUENT YEARS: The prices or discounts quoted by the Contractor in its Proposal shall prevail for the first one year term of the Agreement, at which time the County shall have the option to renew the Agreement for four (4) subsequent one year periods and to negotiate price for each renewal term. Continuation of the Agreement beyond the initial period is a County prerogative and not a right of the Contractor. This prerogative will be exercised only when such continuation is clearly in the best interest of the County and upon budget approval.

5. **CONTRACTUAL OBLIGATIONS**

5.1. The successful Contractor will be required to sign an Agreement substantially similar to the Sample Agreement in Appendix A. The County reserves the right to add or delete provisions to the form prior to Agreement execution.

5.2. Issuance of this Solicitation does not commit the County to award any Agreement or to procure or Agreement for any equipment, materials or services.

5.3. If a formal Agreement is required, the Contractor agrees and understands that a Notice of Award does not constitute an Agreement or create a property interest of any nature until an Agreement is signed by the Awardee and the Board of County Commissioners and/or their authorized designee.

5.4. Contractor is responsible for reviewing the form Agreement and understanding the terms and conditions contained therein, including, but not limited to, insurance requirements, indemnification, illegal aliens, equal opportunity, non-appropriation, and termination.

5.5. Contractor's Response must state its willingness to enter into the form Agreement or Contractor shall identify and include any proposed revisions they have for the form Agreement. Any proposed revisions made by the Contractor after the County Notice of Intent to Award the Solicitation may be grounds for rescinding said Notice. The identification of willingness to enter into the standard Agreement is for general purposes at this time, but is part of the evaluation process and must be included. There may be negotiations on a project-by-project basis that provide further clarification.

5.6. Incorrect Pricing/Invoicing. As part of any award resulting from this process, Contractor(s) will discount all transactions as agreed. In the event the County discovers, through its Agreement monitoring process or formal audit process, that material or services were priced/invoiced incorrectly, Contractor(s) agree to promptly refund all overpayments and to pay all reasonable audit expenses incurred as a result of the non-compliance.

5.7. The County may, during the term of the Agreement and any extensions/renewals, request additional work at other locations throughout Adams County by the successful Contractor.

6. **METHOD OF AWARD** - It is the intent of the County to award an Agreement to the Contractor who provides the best value for Adams County.

6.1. Pricing MUST be submitted in a separate sealed envelope.

6.2. Evaluation criteria, other than costs, are evaluated first. After rating the written Responses, costs are then considered against trade-offs such as satisfaction of requirements in the Solicitation, qualifications, risk and incentives, and financial condition of the Contractor.

6.3. The County reserves the right to conduct negotiations with Contractors and to accept revisions of Responses. During this negotiation period, the County will not disclose any information derived from Responses submitted, or from discussions with other Contractors. Once an award is made, the Solicitation file and the Responses contained therein are in the public record.

7.7. Questions which arise during the Response preparation period regarding issues around this Solicitation, purchasing and/or award should be directed, via e-mail, to Anna Forristall, Contract Specialist III, aforristall@adcogov.org. The Contractor submitting the question(s) shall be responsible for ensuring the question(s) is received by the County.

7. Any official interpretation of this RFP must be made by an agent of the County's Purchasing Division who is authorized to act on behalf of the County. The County shall not be responsible for interpretations offered by employees of the County who are not agents of the County's Purchasing Division.

8. COOPERATIVE PURCHASING: Adams County encourages cooperative purchasing in an effort to assist other agencies to reduce their cost of bidding and to make better use of taxpayer dollars through volume purchasing. Contractor(s) may, at their discretion, agree to extend the prices and/or terms of the resulting award to other state or local government agencies, school districts, or political subdivisions in the event they would have a need for the same product/service. Usage by any entity shall not have a negative impact on Adams County in the current term or in any future terms.

   The Contractor(s) must deal directly with any governmental agency concerning the placement of purchase orders/agreements, freight/delivery charges, Contractual disputes, invoices, and payments. Adams County shall not be liable for any costs or damages incurred by any other entity.

9. BUDGET: Budget will not be disclosed.

10. DEBARMENT: By submitting this proposal, the Contractor warrants and certifies they are eligible to submit a proposal because their company and/or subcontract(s) is/are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in a transaction by any Federal, State, or local department or agency.

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Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

GENERAL TERMS AND CONDITIONS

1. **APPLICABILITY:** These General Terms and Conditions apply, but are not limited, to all bids, proposals, qualifications and quotations (hereinafter referred to as "Proposal" or "Response") made to Adams County (hereinafter referred to as "County") by all prospective Contractors, bidders, firms, companies, publishers, consultants, or suppliers (herein after referred to as "Contractor" or "Contractors") in response, but not limited, to all Invitations to Bid, Requests for Proposals, Requests for Qualifications, and Requests for Quotations (hereinafter referred to as "Solicitation" or "Solicitations").

2. **CONTENTS OF PROPOSAL**

   2.1. GENERAL CONDITIONS: Contractors are required to submit their Proposals in accordance with the following expressed conditions:

   2.1.1. Contractors shall make all investigations necessary to thoroughly understand the requirements of the Solicitation. No plea of ignorance by the Contractor of conditions that exist or that may hereafter exist will be accepted as the basis for varying the requirements of the County or the compensation to the Contractor.

   2.1.2. Contractors are advised that all County Solicitations and Agreements are subject to all requirements contained in the County's Purchasing Division's Policies and Procedures and state and federal statutes. When conflicts occur, the highest authority will prevail.

   2.1.3. Contractors are required to state exactly what they intend to furnish to the County in their Proposal and must indicate any variances to the terms, conditions, and specifications of this Solicitation no matter how slight. If variations are not stated in a Contractor's Proposal, it shall be construed that the Contractor's Proposal fully complies with all conditions identified in this Solicitation.

3. **Equal Opportunity:** The County intends and expects that the Contracting processes of the County and its Contractors provide equal opportunity without regard to gender, race, ethnicity, religion, age or disability and that its Contractors make available equal opportunities to the extent third parties are engaged to provide goods and services to the County as Subcontractors, Contractors, or otherwise. Accordingly, the Contractor shall not discriminate on any of the foregoing grounds in

the performance of any Agreement awarded to the Contractor, and shall make available equal opportunities to the extent third parties are engaged to provide goods and services in connection with performance of the Agreement. If submitting a joint venture proposal, or a proposal involving a partnership arrangement, articles of partnership stating each partner's responsibilities shall be furnished and submitted with the Response.

4. **Colorado Open Records Act:** All documentation submitted in response to this Solicitation will become the property of Adams County. All documentation maintained or kept by Adams County shall be subject to the Colorado Open Records Act. C.R.S. 24-72-201 *et. seq.* ("CORA"). Accordingly, respondents are discouraged from providing information that they consider confidential, privileged, and/or trade secrets as part of a response to this Solicitation. Any portions of submissions that are reasonably considered confidential should be clearly marked as such. The County does not guarantee the confidentiality of any record(s).

   Careful consideration should be given before submitting confidential information to the County. The Colorado Open Records Act permits public scrutiny of most materials collected in this Solicitation process. Information that is reasonably considered proprietary should be clearly marked as confidential.

5. **CLARIFICATION AND MODIFICATIONS IN TERMS AND CONDITIONS**

   5.1. Where there appears to be variances or conflicts between the General Terms and Conditions, any Special Terms and Conditions and the Scope of Work/Specifications outlined in this Solicitation, the Scope of Work/ Specifications, and then the Special Terms and Conditions, will prevail.

   5.1.1. If any Contractor contemplating submitting a Proposal under this Solicitation is in doubt as to the true meaning of the Scope of Work/Statement of Work or any other portion of the Solicitation, the Contractor must submit a **written request** via email for clarification to the Point of Contact listed on the Cover Sheet of this Solicitation. The Contractor submitting the request shall be responsible for ensuring that the request is received by the County prior to the deadline for submitting questions.

   5.1.2. The County shall issue a written addendum if substantial changes which impact the technical submission of Proposals are required. A copy of such addenda will be available at the Rocky Mountain E-Purchasing System (BIDNET) website. In the event of conflict with the original Solicitation documents, addenda shall supersede to the extent specified. Subsequent addenda shall supersede prior addenda only to the extent specified.

   5.1.3. **ADDENDUM/ADDENDA: CONTRACTOR IS RESPONSIBLE FOR OBTAINING AND ACKNOWLEDGING RECEIPT OF ALL ADDENDUM/ADDENDA POSTED ON THE ROCKY MOUNTAIN E-PURCHASING SYSTEM (BIDNET). EACH AND EVERY ADDENDUM**

SHALL BE SEPARATELY ACKNOWLEDGED ON THE CONTRACTOR'S STATEMENT FORM.

5.2. PRICES CONTAINED IN PROPOSAL, DISCOUNTS, AND TAXES

5.2.1. Contractors may offer a cash discount for prompt payment. Discounts will be considered in determining the lowest net cost for the evaluation of Proposals; discounts for periods of less than twenty days, however, will not be considered in making an award. If no prompt payment discount is being offered, the Contractor shall enter a zero (0) for the percentage discount to indicate net thirty days. If the Contractor does not enter a percentage discount, it is hereby understood and agreed that the payment terms shall be net thirty (30) days, effective on the date that the County receives an accurate invoice or accepts the products, whichever is the later date. Payment is deemed to be made on the date of the mailing of the check.

5.2.2. Contractors shall not include federal, state, or local excise or sales taxes in prices offered, as the County is exempt from payment of such taxes.

5.2.2.1. Federal Identification Number: 20-1971780

5.2.2.2. State of Colorado Tax Exempt Number: 98-03569

6. SIGNING PROPOSAL AND COLLUSION

6.1. Contractor, by affixing its signature to the Proposal, certifies that its Proposal is made without previous understanding, agreement, or connection either with any persons, firms or corporations making a Proposal for the same items, or with the County. The Contractor also certifies that its Proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action. To insure integrity of the County's public procurement process, all Contractors are hereby placed on notice that any and all Contractors who falsify the certifications required in conjunction with this section will be prosecuted to the fullest extent of the law.

7. PREPARATION AND SUBMISSION OF PROPOSAL

7.1. PREPARATION

7.1.1. The Proposal must be typed or legibly printed in ink. The use of erasable ink is not permitted. All corrections made by the Contractor must be initialed by the authorized agent of the Contractor.

7.1.2. Proposals must contain a manual signature of an authorized agent of the Contractor in the space provided on the Contractor's Statement form. The Contractor's Statement form in this Solicitation must be included in all Proposals. If the Contractor's authorized agent fails to

sign and return this form in its Proposal, the Proposal may be invalid and may not be considered.

7.1.3. The County logo is trademarked and property solely of the County. Contractors do not have permission to use the County's logo on any documentation or presentation materials and to do so would be a violation of the County's trademark.

7.1.4. Alternate Proposals will not be considered unless expressly permitted in the Scope of Work.

7.1.5. The accuracy of the Proposal is the sole responsibility of the Contractor. No changes in the Proposal shall be allowed after the date and time that submission is due.

7.2. SUBMISSION

7.2.1. The Proposal shall be sealed in an envelope with the Contractor's name and the Solicitation title and number on the outside. The County's Pricing Form, which is attached to this Solicitation, must be used when the Contractor is submitting its Proposal. The Contractor shall not alter this form (e.g. add or modify categories for posting prices offered) unless expressly permitted in the Solicitation or in an addendum duly issued by the County. Only sealed proposals received by the Purchasing Division will be accepted; Proposals submitted by telephone, email, or facsimile machines are not acceptable.

7.2.2. Failure to provide any requested information may result in the rejection of the Proposal as non-responsive.

7.2.3. Proposal must be submitted in the format supplied and/or described by the County. Failure to submit in the format provided may be cause for rejection of the proposal.

7.2.4. Contractor is responsible for ensuring their Proposal is received by the Purchasing Division prior to the deadline outlined in the Solicitation regardless of the method of delivery.

7.2.5. Contractors, which qualify their Proposal by requiring alternate Contractual terms and conditions as a stipulation for Agreement award, must include such alternate terms and conditions in their Response. The County reserves the right to declare a Contractor's Proposal as non-responsive if any of these alternate terms and conditions is in conflict with the County's terms and conditions, or if they are not in the best interests of the County.

8. LATE PROPOSALS

8.1. Proposals received after the date and time set for the opening/closing shall be considered non-responsive and may be returned unopened to the Contractor.

8.2. The County assumes no responsibility for late deliveries of mail on behalf of the United States Post Office or any other delivery system.

8.3. The County assumes no responsibility for a Proposal being either opened early or improperly routed if the envelope is not clearly marked on the outside:

EMPLOYEE HEALTH AND WELFARE BROKER SERVICES
RFP-AF-2019-013

8.4. In the event of a situation severe enough to cause the Adams County Board of Commissioners to close the County offices for any reason, the Purchasing Manager has the prerogative of rescheduling the proposal opening time and date. No proposal will be considered above all other proposals by having met the proposal opening time and date requirements to the exclusion of those who were unable to present their proposal due to a situation severe enough to cause the Board of County Commissioners to close the County offices.

9. MODIFICATION AND WITHDRAWAL OF PROPOSALS

9.1. MODIFICATIONS TO PROPOSALS. Proposals may only be modified in the form of a written notice on Contractor letterhead and must be received prior to the time and date set for the Proposals to be opened. Each modification submitted to the County's Purchasing Division must have the Contractor's name and return address and the applicable Solicitation number and title clearly marked on the face of the sealed envelope. If more than one modification is submitted, the modification bearing the latest date of receipt by the County's Purchasing Division will be considered the valid modification.

9.2. WITHDRAWAL OF PROPOSALS

9.2.1. Proposals may be withdrawn in the form of a written notice on Contractor letterhead and must be received prior to the time and date set for the opening of Proposals. Any withdrawal of a Proposal submitted to Adams County Purchasing Division must have the Contractor's name, return address, and the applicable Solicitation number and title clearly marked on the face of the envelope and on the withdrawal letter.

9.2.2. Proposals may not be withdrawn after the time and date set for the opening for a period of ninety calendar days. If a Proposal is withdrawn by the Contractor during this ninety-day period, the County may, at its option, suspend the Contractor and may not accept any Proposal from the Contractor for a six-month period following the withdrawal.

10. REJECTION OF PROPOSALS

10.1. REJECTION OF PROPOSALS. The County may, at its sole and absolute discretion:

10.1.1. Reject any and all, or parts of any or all, Proposals submitted by prospective Contractors;

10.1.2. Re-advertise this Solicitation;

10.1.3. Postpone or cancel the process;

10.1.4. Waive any irregularities in the Proposals received in conjunction with this Solicitation.

10.2. REJECTION OF A PARTICULAR PROPOSAL. In addition to any reason identified above, the County may reject a Proposal under any of the following conditions:

10.2.1. The Contractor misstates or conceals any material fact in its Proposal;

10.2.2. The Contractor's Proposal does not strictly conform to the law or the requirements of the Solicitation;

10.2.3. The Proposal expressly requires or implies a conditional award that conflicts with the method of award stipulated in the Solicitation;

10.2.4. The Proposal does not include documents, including, but not limited to, certificates, licenses, and/or samples, which are required for submission with the Proposal in accordance with the Solicitation; and/or

10.2.5. The Proposal has not been executed by the Contractor through an authorized signature on the Contractor's Statement form.

10.3. The County reserves the right to waive any irregularities or informalities, and the right to accept or reject any and all proposals.

11. ELIMINATION FROM CONSIDERATION

11.1. A Proposal may not be accepted from, nor any Agreement be awarded to, any person or firm which is in arrears to the County upon any debt or Agreement or which is a defaulter as surety or otherwise upon any obligation to the County.

11.2. A Proposal may not be accepted from, nor any Agreement awarded to, any person or firm who has failed to perform faithfully any previous Agreement with the County or other governmental entity, for a minimum period of three years after the previous Agreement was terminated for cause.

11.3. Any communications in regards to this RFP must go through the Adams County Purchasing Division only. Any contact with other County personnel or County Contractors may be cause for disqualification.

11.4. No damages shall be recoverable by any challenger as a result of the determinations listed in this Section or decisions by the County.

11.5. The Board of County Commissioners may rescind the award of any proposal within one week thereof or at its next regularly scheduled meeting; whichever is later, when the public interest will be served thereby.

12. **QUALIFICATIONS OF CONTRACTOR**: The County may make such investigations as deemed necessary to determine the ability of the Contractor to perform work, and the Contractor shall furnish all information and data for this purpose as the County requests. Such information includes, but is not limited to: current/maximum bonding capabilities, current licensing information, audited financial statements, history of the firm on assessments of liquidated damages, Agreements cancelled prior to completion and/or lawsuits and/or pending lawsuits against the firm and/or its principals. The County reserves the right to reject any Proposal if the evidence submitted by, or investigation of, such Contractor fails to satisfy the County that such Contractor is properly qualified to carry out the obligations of the Agreement and to complete the work contemplated therein. Conditional Proposals will not be accepted.

13. **AWARD OF SOLICITATION**: The County shall award this Solicitation to the successful Contractor through the issuance of a Notice of Intent to Award. All Contractors that participated in the Solicitation process will be notified of Contractor selection. No services or goods shall be provided, and no compensation shall be paid, until and unless an Agreement has been signed by an authorized representative of the County and the Contractor.

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Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

STATEMENT OF WORK

I. INTRODUCTION

Adams County is seeking proposals from qualified and experienced firms to provide **EMPLOYEE HEALTH AND WELFARE BROKER SERVICES**.

II. REQUIRED DOCUMENTATION

Failure to provide the required information may deem your submittal non-responsive.

Items which must be included in the response/submittal in order to be accepted and evaluated:

- W-9
- Pricing Form (In separate marked and sealed envelope)
- Contractor's Certification of Compliance (Signature required)
- Contractor's Statement (Signature required)
- References Form - Three (3) recent projects of similar size and scope or complexity
- Vendor Information Form
- One (1) marked ORIGINAL proposal, One (1) USB or CD with a single PDF formatted proposal and four (4) paper hardcopies of the proposal.

III. RESPONSE FORMAT

Failure to respond in the required format may deem your submittal non-responsive.

SUBMISSION OF PROPOSALS: **ONE (1) hardcopy proposal marked ORIGINAL, ONE (1) electronic original version (USB or CD with a single PDF formatted proposal document) and four (4) PAPER COPIES of the proposal submittal.** The Proposal must be received at the time and place specified on the first page of this Solicitation. Submittals should be prepared simply and economically providing a straightforward, concise description of the Contractor's ability to perform the requirements of this Solicitation. Failure to submit the required number of copies may deem the Contractor non-responsive. **The electronic copy shall be an EXACT reproduction of the original documents provided. All sections shall be combined into a single PDF electronic document.**

PRICING MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. THERE MUST NOT BE ANY PRICING INFORMATION WITHIN THE HARD COPY PROPOSALS.

1. Provide Proposal submittal without reference to Adams County logo.

2. Proposal shall be in an organized and easy-to-find format.

3. Executive Summary - The executive summary should give in brief concise terms a summation of your submittal. Identify the points that make your firm uniquely qualified for this engagement.

4. Profile of the Firm (if applicable) – State whether your firm is local, national, or international.
   Also include the following:
   a. The Firm's key contact name, phone number and email address for this project. (Your Firm's "Project Manager").
   b. The size of the firm and the size of the local office.
   c. Number and nature of the professional staff to be assigned to the project on a full-time basis.
   d. Number and nature of staff to be assigned to this project on a part-time basis.
   e. Identify the supervisory and management staff who will be assigned to the engagement. Provide resumes for each person that will be assigned to this engagement.
   f. Provide any substantiated complaints against the firm in the last three (3) years and any outstanding litigation.

IV. STATEMENT OF WORK

Adams County is seeking a Benefits Broker for the County's employee insurance benefits and is looking for continuity of services in the rapidly changing area of employee benefits. The County is particularly interested in a broker who can offer creative, innovative approaches, with a proven track record, that allows the County to maintain quality programs and contain or reduce costs.

The selected broker will perform a full range of benefit program services related to the acquisition, implementation, maintenance, communication and improvement of the County's employee insurance benefits.

V. SCOPE OF WORK

1. Negotiate County benefit plan renewals to include plan marketing and contract review for the following:
   - United Healthcare (UHC) Self Funded Health Plans
   - Stop Loss Plan
   - Kaiser Fully Funded Health Plan
   - Early retiree and Medicare Health Plans
   - Delta Dental Self Funded and Fully Insured Plans
   - VSP Self Funded Vision Plan

- Life Insurance
- Short and Long Term Disability
- COBRA Administration Services
- FSA and HSA Administration Services

2. Review of all carrier contracts and other documents for accuracy.

3. Provide actuary services to include:
   - Receipt and analysis of claims data from all plans
   - Monthly self funded plans performance/experience report to include trend analysis
   - IBNR analysis and recommendations
   - Fully insured equivalent analysis and recommendations
   - ROI on wellness programs initiatives

4. Provide liaison and advocate services with carriers on:
   - Coverage interpretations
   - Claims administration

5. Provide annual benchmarking reports for health/welfare plans, paid leave, and other benefit plans/programs. Reports to be provided based on Front Range public entities, industry and geographic location.

6. Determine and recommend the most cost efficient funding methods for benefit programs.

7. Provide updates and planning on Health Care Reform and other compliance issues.

8. Facilitate periodic meetings with UHC and Kaiser Health Plans to review utilization reports.

9. Provide consultation on wellness programs upon request.

10. Provide consultation and support on Employee Health Clinic and integration of health clinic measures with UHC and Kaiser claims data.

11. Attend monthly and quarterly meetings to review self funded health plan and Employee Health Clinic performance.

12. Provide updates, education, and recommendations on:
    - Health Care Reform
    - Industry trends and patterns
    - Compliance issues
    - Wellness Plan (including fitness center and employee health clinics)

13. Provide options and strategies to address health plans increasing costs and sustainability to include:
    - Plan design

- Contribution strategies
- Early retiree health plan
- Cost containment programs
- Wellness programs (including fitness centers and employee clinics)

14. Assist with open enrollment marketing and education to include making employees and dependents better consumers.

15. Assist with the implementation and communication of new programs or changes to existing programs, which may include attending and presenting information at open enrollment meetings when requested. Work closely with the Benefits Team to develop and execute the benefits communication strategy.

16. Assist with development of long range goals, objectives and strategies to sustain the County's health plans including recommending innovative ideas and new products, programs and services to ensure a competitive, valued and cost effective benefits program.

17. Introduce proven programs and ideas to aggressively manage healthcare costs that fully integrate with an onsite clinic philosophy.

18. Evaluate and make recommendations on plan design in light of industry trends and labor market conditions, claims cost trends, alternative delivery systems and legal requirements. Evaluate eligibility, cost-sharing and benefit structure and network savings.

19. Provide full transparency of all fees with specific details for services provided including:
    - Monthly/Annual Fees
    - Special Project Fees
    - All other fees, specifically itemized

VI. BROKER QUESTIONNAIRE

Please include your answers to these questions in your proposal.

1. Describe the ownership of your organization and provide a brief company history, with focus on your employee benefits division including the number of employees within CO, the total amount of insurance written within the State of Colorado and the total amount of insurance written for public entities in Colorado. Describe the corporate structure of the office that would service Adams County, if chosen.

2. Provide the responsibility and background information of each member of the proposed account team. List the office location for each individual.

3. Describe the training (industry, internal, computer, other) that your firm expects or requires your staff to receive?

4. Provide details about how our account will be handled.

5. Describe any wellness and education services that you expect to provide to our account and any additional services that are available at our request. Note which services will be subject to an additional fee. Please provide samples of materials that you offer.

6. Do you provide employee communication services for your clients' employees? If so, please provide a general description of your capabilities. Please provide sample employee communication materials that you have distributed to other clients. How do you help facilitate annual open enrollments? Include technology based approaches and identify additional costs, if any.

7. Describe the financial and actuarial services that you offer. Describe how you can assist us with metrics/ROIs for our benefits and wellness programs.

8. Discuss briefly any other divisions or special expertise you have that may be helpful to Adams County's benefits program.

9. Describe how you will approach the marketplace. What information or procedures will you expect of the County, prior to marketing our coverage?

10. Which markets do you typically represent? If your firm has ownership in any managing general agent, surplus lines broker, reinsurance broker, insurer, reinsurer or other organization you would use in placing insurance coverage's, please identify them.

11. Discuss procedures used by your firm in evaluating insurers in terms of financial integrity or acceptable capacity.

12. Discuss the time required to market coverage and your view of Adams County's role in the process.

13. Please include a list of any benefits services that may be available to the County and include the cost of those services including online benefits services and dependent audits. Please provide samples of these services.

14. Provide details of how your firm will be compensated. List any services that you charge for separately.

15. Please provide two references of accounts that have terminated services within the past two years. Please describe the reason(s) for termination.

16. Please provide four current account references.

17. Please list any current clients that are governmental entities.

18. Discuss any impending changes in your organization that could impact the delivery of your services.

19. Describe the form of professional liability or errors and omissions insurance carried by your company and the amount of coverage.

20. Describe in detail your service philosophy, and the number of staff members available to support your clients.

21. List ways that your firm can assist with the management of insurance, including preparation of claims activity reports from carriers; executive summary reports; underwriting analysis for annual renewals; annual financial projections for budgeting purposes analysis, etc.

22. Describe the process your firm uses for carrier renewals and negotiations.

23. Indicate how you keep clients informed of regulatory and legislative changes that affect insurance plans.

24. Describe any other facets of your organization and your firm's experience that are relevant to this proposal that have not been previously described and that you feel warrant consideration.

VII. EVALUATION PROCESS

All proposals will be evaluated based on the following criteria:

1. Market expertise, experience, location and availability of the broker representative that will be assigned to our account.

2. Development of metrics and ROI

3. Experience working with government entities

4. Experience with similar programs (health clinics, self-funded plans, integrated wellness programs)

5. Itemized Broker fees

A second phase may be incorporated in the procurement process, in which the Evaluation Committee will invite a limited number of vendors who received the highest scores during phase one to provide an oral presentation. If the Committee incorporates this second phase, the numbers of vendors who are invited to provide oral presentations will be determined by the Committee after the written Proposals have been scored. The evaluative score from the oral presentation will be used to determine the successful vendor.

END OF STATEMENT OF WORK

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Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

PRICING FORM: 2019-013

(Submit in separate sealed envelope)

PRINT OR TYPE KEY CONTACT INFORMATION BELOW:

Contractor Name _____ Date _____

Contact Person _____ Title _____ Phone _____

Email Address _____

TOTAL PROJECT COST:

Firm Fixed Price for one year of services: $_____

List what's included in this price: _____

_____

_____

_____

List other services and their prices that your firm provides that are not included in the above price: _____

_____

_____

_____

Percentage of prompt payment discount, if offered: _____%

Total submittal price with discount: $_____

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

CONTRACTOR'S CERTIFICATION OF COMPLIANCE

(Signature Required)

Pursuant to Colorado Revised Statute, § 8-17.5-101, *et.seq.,* as amended 5/13/08, as a prerequisite to entering into a Agreement for services with Adams County, Colorado, the undersigned Contractor hereby certifies that at the time of this certification, Contractor does not knowingly employ or Agreement with an illegal alien who will perform work under the attached Agreement for services and that the Contractor will participate in the E-Verify Program or Department program, as those terms are defined in C.R.S. § 8-17.5-101, *et. seq.* in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the attached Agreement for services.

_____
Contractor Name

_____
Printed or Typed Name

_____
Signature

_____
Title

_____
Date

Note: Registration for the E-Verify Program can be completed at: https://www.vis-dhs.com\employerregistration. It is recommended that employers review the sample "memorandum of understanding" available at the website prior to registering.

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

CONTRACTOR'S STATEMENT

(Signature Required)

I have read and fully understand all the conditions herein set forth in the foregoing paragraphs, and by my signature set forth hereunder, I hereby agree to comply with all said conditions as stated or implied. In consideration of the above statement, the Bid/Proposal is hereby submitted.

If any of the documents listed on the Cover Sheet are missing from this package, contact Adams County Purchasing. If you require additional information, call the contact person named on the Cover Sheet.

The undersigned hereby affirms that (1) he/she is a duly authorized agent of the Contractor, (2) he/she has read all terms and conditions and technical specifications which were made available in conjunction with this Solicitation and fully understands and accepts them unless specific variations have been expressly listed in his/her Bid/Proposal, (3) the Contractor will accept any awards made to it as a result of the Bid/Proposal submitted herein for a minimum of 120 calendar days following the date of submission.

WE, THE UNDERSIGNED, HEREBY ACKNOWLEDGE RECEIPT OF ADDENDA:

(List addendum numbers separately):_____

Contractor Name	Date
Authorized Signature	Printed Name
Title	
Address	
City, State, Zip Code	County
Telephone	Fax
Email	

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

REFERENCE FORM

(Recent projects of similar size or scope)

1. **Company Name** _____

Address _____

Contact Name & Phone _____

Contact Email Address _____

Project Name _____

Project Date & Project Value _____

2. **Company Name** _____

Address _____

Contact Name & Phone _____

Contact Email Address _____

Project Name _____

Project Date & Project Value _____

3. **Company Name** _____

Address _____

Contact Name & Phone _____

Contact Email Address _____

Project Name _____

Project Date & Project Value _____

Response to Request for Proposal

Adams County

LOCKTON

ADAMS COUNTY
COLORADO

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

PRICING FORM: 2019-013

(Submit in separate sealed envelope)

PRINT OR TYPE KEY CONTACT INFORMATION BELOW:

Mountain West Series of Lockton Companies, LLC		March 5, 2019
Contractor Name		Date
Leo Tokar	President, Employee Benefits	303.414.6466
Contact Person	Title	Phone
leo.tokar@lockton.com		
Email Address		

TOTAL PROJECT COST:

Firm Fixed Price for one year of services: $ 120,000

List what's included in this price: The full Scope of Work including RFP work. This proposal assumes voluntary benefits can be accepeted.

List other services and their prices that your firm provides that are not included in the above price: OPEB valuation programs (provided by a third-party and costs offset by VB commissions); Clinic vendor RFP (TBD ~~upon scope); Printing of Open Enrollment Materials; Enrollment System and Call Center - The funding for the~~ system and call center outlined in our response to question 6 under Technology and Other Support is approximately ~~$3.50 PEPM plus a $5,000 annual fee or no cost if an annual active enrollment is implemented and certain voluntary~~ benefits are offered (i.e., commission used to fully offset the fees).
HR Technology & Outsourcing - Specific projects as outlined in the respective section under question 8 are provided at a competitive HRIS consulting fee of $250 per hour or at a fixed fee once scope is determined.

Percentage of prompt payment discount, if offered: 0 %

Total submittal price with discount: $ 120,000

ADAMS COUNTY
COLORADO

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL
CONTRACTOR'S STATEMENT
(Signature Required)

I have read and fully understand all the conditions herein set forth in the foregoing paragraphs, and by my signature set forth hereunder, I hereby agree to comply with all said conditions as stated or implied. In consideration of the above statement, the Bid/Proposal is hereby submitted.

If any of the documents listed on the Cover Sheet are missing from this package, contact Adams County Purchasing. If you require additional information, call the contact person named on the Cover Sheet.

The undersigned hereby affirms that (1) he/she is a duly authorized agent of the Contractor, (2) he/she has read all terms and conditions and technical specifications which were made available in conjunction with this Solicitation and fully understands and accepts them unless specific variations have been expressly listed in his/her Bid/Proposal, (3) the Contractor will accept any awards made to it as a result of the Bid/Proposal submitted herein for a minimum of 120 calendar days following the date of submission.

WE, THE UNDERSIGNED, HEREBY ACKNOWLEDGE RECEIPT OF ADDENDA:

(List addendum numbers separately): Request for Proposal Addendum 1 and Addendum 2

Mountain West Series of Lockton Companies, LLC	March 4, 2019
Contractor Name	Date
	Leo Tokar
Authorized Signature	Printed Name
President, Employee Benefits	
Title	
8110 E. Union Avenue, Suite 700	
Address	
Denver, CO 80237	Denver
City, State, Zip Code	County
303.414.6466	303.865.6466
Telephone	Fax
leo.tokar@lockton.com	
Email	

ADAMS COUNTY
COLORADO

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL

CONTRACTOR'S CERTIFICATION OF COMPLIANCE

(Signature Required)

Pursuant to Colorado Revised Statute, § 8-17.5-101, *et.seq.*, as amended 5/13/08, as a prerequisite to entering into a Agreement for services with Adams County, Colorado, the undersigned Contractor hereby certifies that at the time of this certification, Contractor does not knowingly employ or Agreement with an illegal alien who will perform work under the attached Agreement for services and that the Contractor will participate in the E-Verify Program or Department program, as those terms are defined in C.R.S. § 8-17.5-101, *et. seq.* in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the attached Agreement for services.

Mountain West Series of Lockton Companies, LLC

Contractor Name

Leo Tokar

Printed or Typed Name

Signature

President, Employee Benefits

Title

March 5, 2019

Date

Note: Registration for the E-Verify Program can be completed at: https://www.vis-dhs.com\employerregistration. It is recommended that employers review the sample "memorandum of understanding" available at the website prior to registering.

ADAMS COUNTY
COLORADO

Adams County Finance Department
Purchasing Division
4430 South Adams County Parkway
Brighton, Colorado 80601

REQUEST FOR PROPOSAL
REFERENCE FORM
(Recent projects of similar size or scope)

1. Company Name	Jefferson County
Address	100 Jefferson County Pkwy, #4350, Golden, CO 80419
Contact Name & Phone	Tina Wise, 303.271.8405
Contact Email Address	twise@jeffco.us
Project Name	Employee Benefits Consulting Services
Project Date & Project Value	Ongoing consulting since 2011
2. Company Name	Colorado Community College Systems
Address	9101 E. Lowry Blvd., Denver, CO 80230
Contact Name & Phone	Debbee Pylican, 303.595.1589
Contact Email Address	Debbee.Pylican@cccs.edu
Project Name	Employee Benefits Consulting Services
Project Date & Project Value	Ongoing consulting since 2014
3. Company Name	City and County of Denver
Address	201 W. Colfax Avenue, Dept. 412, Denver, CO 80202
Contact Name & Phone	Heather Britton, 720.913.5699
Contact Email Address	Heather.britton@denvergov.org
Project Name	Employee Benefits Consulting Services
Project Date & Project Value	Ongoing consulting since 2015

Client fees are confidential and will need to be requested directly from clients.

CONTENTS

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EXECUTIVE SUMMARY

Thank you for your consideration of Lockton as your health and welfare broker and consultant.

We have had the pleasure of understanding your needs both through the RFP questions and prior conversations. We thank you for that. The Lockton team is enthusiastic to learn more about Adams County to hone our approach for you.

Benefit plans and their integration with total rewards are operating in an environment unlike any other in the past. The need for cost containment while offering high quality plans to employees is more acute than ever before. These items coupled with the complexities of evolving compliance and administration require extensive expertise on behalf of all involved parties - consultant, HR and finance, and vendors. The integration of health insurance with overall employee wellbeing is on the forefront of the agenda to sustain a strong and successful workforce.

Adams County envisions sustainable communities by enabling those with diverse challenges to achieve stability and engagement. If we have the chance to work with you, Lockton will enable precise, multi-year decision making for the express purpose of supporting Adams County's mission of serving others. Our expertise, thoughtfulness, depth and innovation are the power for Adams County to reposition itself for a better future state.

From the information shared thus far, we are certain that our ability to execute will enable Adams County to manage the programs in a sustainable way.

In any good business partnership, we constantly seek the right "fit" with the client. We know that you desire to evaluate better management of the total program. We submit the following key areas that differentiate Lockton from any other broker/ consultant in the region.

Overall program management

- Adams County has created a robust program that includes a self-funded plan (UHC), fully insured plan (KP), and on-site clinics. For all of these to perform optimally, they must be harmonized so that they balance risk, monitor performance, and ultimately contribute to the needs of your employees and their families. To accomplish that, Adams County requires an approach that integrates data management, financial analysis, risk management, wellness, and numerous other components. In support of those goals, Lockton offers the following:

  - Data management: For the last fifteen years, Lockton has invested heavily in our data warehouse, Infolock®.We will get a raw claim feed of your specific medical and pharmacy claims so that we may write reports out of our Infolock system. The reports inform strategy for plan design, stop loss procurement, wellness and health risk management including ROI determination.

  - Kaiser-UHC-Clinic integration: Our data warehouse has the ability to feed data in from all three of these sources and integrate the data into one actionable data set while also allowing each source to be reported on individually.

  - Full insured (KP)-self funded (UHC) risk management: Having these types of plans offered side by side can pose a material risk to Adams County, particularly if the self funded plan runs worse than the fully insured plan. We have a number of clients that we have helped guide through this exact arrangement and can likewise share effective risk management approaches with Adams County.

  - Wellness-on site clinics: For a wellness program to achieve its objectives, it must integrate effectively with the benefit program and with the on-site clinics. In addition to the data management approach described above, Lockton's Mountain West Series has a team of Health Risk Solutions professionals who have tremendous experience in designing, evaluating, and integrating all of these components.

Strategic planning

- Lockton proposes to use a process called IDEAL Profiling in conjunction with our Group Plan Strategy (GPS) to develop a three-year plan. This process gives Adams County the chance to take account of the many levers to control costs while balancing those decisions against any level of employee disruption.

Ability to create costs savings

- Pharmacy costs are the fastest growing part of a self-funded plan spend. We address this area with expertise that negotiates contracts and contract language. We nearly always see greater than 10% savings when we renegotiate contracts.
- Stop loss coverage negotiation has taken on a new form at Lockton. Not only do we place more stop loss business than any other broker in the country, we investigate high dollar claims at the provider level to assure proper payment and possible steerage opportunities.
- Medical networks are not as simple as they once were. Lockton has devoted resources to help you decide if a network of unconventional design is appropriate for your population.

Communications and education

- At Lockton, we understand the importance of communications and education for an employee population. Each client has a tailored strategy based on plan design, demographics, location, and organizational structure. Strategy involves using progressive technologies, traditional face to face interaction and printed materials. A team of expert graphic designers partner with the account team to produce superior content with a professional design.

Please note that none of our resources are outsourced. We believe our in-house subject expertise organized through your core Denver-based team of Leo, Ed, Jeanette, Shayla, Chris, and Shaun and many specialty resources will serve you best.

It would be an honor to serve Adams County.

Thank you.

Leo Tokar
President, Employee Benefits

and

Ed Pierce
Senior Vice President

PROFILE OF FIRM

STATE WHETHER YOUR FIRM IS LOCAL, NATIONAL, OR INTERNATIONAL.

ALSO INCLUDE THE FOLLOWING:

a. The Firm's key contact name, phone number and email address for this project. (Your Firm's "Project Manager").

b. The size of the firm and the size of the local office.

c. Number and nature of the professional staff to be assigned to the project on a full-time basis.

d. Number and nature of staff to be assigned to this project on a part-time basis.

e. Identify the supervisory and management staff who will be assigned to the engagement. Provide resumes for each person that will be assigned to this engagement.

f. Provide any substantiated complaints against the firm in the last three (3) years and any outstanding litigation.

Lockton is international. It maintains its second largest office in Denver (Mountain West). That will be the servicing office for Adams County.

a. Leo Tokar, 303-414-6466, leo.tokar@lockton.com

b. Lockton has more than 7,000 employees overall and 450 employees locally.

c. The team assigned to Adams County is noted in response to question 2. There are 13 individuals designated.

d. Please refer to the prior response and question 2.

e. Please refer to the response to question 2 and question 4. Oversight will be provided by Lockton partners, Leo Tokar and Ed Pierce. Their responsibility is to ensure Adams County has a strategy for the benefit program, receives all the support it needs to execute on that strategy, and Lockton exceeds the County's expectations. In addition, Brad Cillian, the practice leader for Benefits will provide management oversight.

f. Lockton Mountain West has not had any substantiated complaints in the past three years or have any outstanding litigation.

RESPONSES

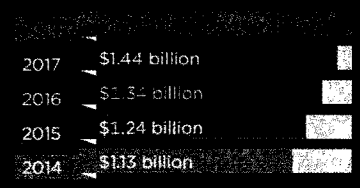
1

DESCRIBE THE OWNERSHIP OF YOUR ORGANIZATION AND PROVIDE A BRIEF COMPANY HISTORY, WITH FOCUS ON YOUR EMPLOYEE BENEFITS DIVISION INCLUDING THE NUMBER OF EMPLOYEES WITHIN CO, THE TOTAL AMOUNT OF INSURANCE WRITTEN WITHIN THE STATE OF COLORADO AND THE TOTAL AMOUNT OF INSURANCE WRITTEN FOR PUBLIC ENTITIES IN COLORADO. DESCRIBE THE CORPORATE STRUCTURE OF THE OFFICE THAT WOULD SERVICE ADAMS COUNTY, IF CHOSEN.

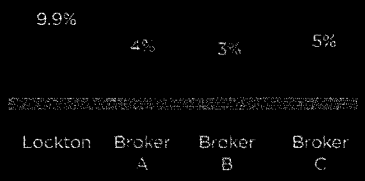
In 1966, Jack Lockton founded our company with a simple idea: deliver the best service in the industry. In the decades since, Lockton has become the world's largest privately owned, independent insurance brokerage by continuing to attract great people and focusing on our purpose: helping make our clients' businesses better.

In the mid-1980s, Lockton Companies created its Benefits division to address the needs of customers in the areas of employee health and benefits insurance. This practice provides professional consultative and brokerage services to customers globally. Mirroring the success of our property and casualty operation, this division is one of the most successful and fastest-growing business groups.

$1.57B
Revenue



9.9%
Organic growth

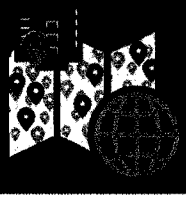


7,000+
Associates

96%
Client retention
11% above the industry average

52,000+
Clients

95+
Offices



Our company has developed its core values and philosophies by valuing partnerships, fostering innovation, maintaining a sense of urgency and building expertise to meet the changing demands of clients. The 7,000+ professionals of Lockton Companies now serve more than 52,000 clients around the world with risk management, insurance, employee benefits consulting and retirement services. Our 2018 revenue exceeded $1.57 billion with offices across the United States and on six continents.

We are recognized for our leadership and innovation in client service. For two years in a row, 2016 and 2017, Lockton has earned the top ranking in client satisfaction in J.D. Power's Large Commercial Insurance Study. For 10 consecutive years, Business Insurance magazine has recognized Lockton as a "Best Place to Work in Insurance."

Adams County would be serviced by the Lockton Companies, LLC - Mountain West Series based in Denver. The Employee Benefits practice in the Denver office consists of 115 Associates supporting over 400 clients. Each client is supported by a service team that handles day-to-day service needs, strategy development, renewal expertise, and special projects. Our clients are also supported by various specialty practices with Associates who are subject matter experts in their respective fields. Our specialty practices include:

- Analytics
- Benefits Engagement
- Communications
- Compliance
- Health Risk Solutions
- HR Technology
- Pharmacy

The total amount of insurance written in Colorado is $1,465,838,012. The amount written for public entities is $224,444,193.

The Mountain West Series corporate structure includes the following key roles:

- Executive Committee that oversees financial operations
  - CEO: Tate McCoy
  - President, Benefits: Leo Tokar
  - COO: Mark Bundy
  - Employee Benefits Practice Leader: Brad Cillian
- Service teams report up through the practice leader
  - Each service team, including Lockton partner, is empowered to make the decisions necessary to service each client's needs and deploy resources as necessary

Lockton is an extremely flat organization. Associates are empowered to simply take care of their clients and to access specialty resources as necessary to ensure best-in-class service.

Lockton does not have profit centers, nor do we track hours. We take a very long-term approach to client relationships and understand that we operate in a service-heavy field. We will support Adams County as an extension of your team and deliver our services on an unencumbered basis.

We truly live service. We understand this is a broad statement and encourage you to ask our references about our flat organizational structure.

PROVIDE THE RESPONSIBILITY AND BACKGROUND INFORMATION OF EACH MEMBER OF THE PROPOSED ACCOUNT TEAM. LIST THE OFFICE FOR EACH INDIVIDUAL.

The following Associates are based in Denver and are assigned to Adams County's account. Their respective bios follow.

- Leo Tokar, President of Mountain West Benefits Practice
- Ed Pierce, Senior Vice President
- Jeanette Sharp, VP, Account Executive
- Shaylah Robertson, Senior Account Manager
- Chris Meehan, Account Administrator
- Shaun O'Hearn, VP, Senior Benefits Financial Analyst

In addition, the core team is supported by the following individuals from our specialty practices:

- Linda Brink, VP, Director, Health Risk Solutions (Denver)
- Rebecca Lich, SVP, Pharmacy Practice Leader (Denver)
- Melissa Morris, Senior Communication Specialist (Denver)
- Jay Kirschbaum, VP, Compliance Services (St. Louis)
- Jeff Long, AVP, Healthcare Actuary (Kansas City)
- Ron Leopold, VP, Medical Director (Kansas City)
- Brad Mandacina, VP, HR Technology and Outsourcing (Kansas City)

Leo Tokar

President

Joined Lockton in 2010

LOCKTON
•EMPLOYEE BENEFITS•

Prior Experience

Kaiser Permanente

Preferred Health Systems

Expertise

Leo is responsible for financial and strategic decisions for Lockton's Health and Welfare practice. He oversees consulting teams for key accounts, and manages employee benefits strategy for public and private organizations in a variety of industries. Leo has extensive experience in the health care and insurance fields. He has developed or restructured insurance operations in regulatory, indemnity and managed care organizations in both for-profit and non-profit environments and with national and local organizations. His broad financial and market experience has also allowed him the opportunity to be active in public policy, crafting legislation, testifying at the state level, and speaking on varying health insurance and regulatory topics.

Education

Master of Science degree in Marketing | University of Colorado
Executive MBA | University of Colorado
B.S. in Economics | University of Kansas
University of Chicago Business School and Kellogg School of Management, Northwestern University Executive Education
Advanced Leadership Program | University of North Carolina, Keenan-Flagler Business School

Civic Affiliations

Porter Adventist Hospital | Board member
Colorado Health Institute | Board member
Delta Dental | Board member
Denver Metro Chamber Committee | Board member
American Cancer Society | Board member
State of Colorado Commission on Health Benefits | Past chair
"Forty Under 40" Award - Denver Business Journal

Public Sector (partial) Accounts

Sate of Colorado | City and County of Denver | Jefferson County | Denver Public Schools | Douglas County Schools | City of Parker

leo.tokar@lockton.com

8110 E. Union Ave., Suite 700
Denver, CO 80237

LOCKTON

Ed Pierce

SVP, Producer

Joined Lockton in 2011

LOCKTON
•EMPLOYEE BENEFITS•

Prior Experience

Hartford Life

Expertise

As a Senior Vice President at Lockton, Ed is responsible for helping clients construct employee benefit plans to maximize objectives within their human capital initiatives. He is an advocate for clients and oversees the delivery of services and promises.

Ed has extensive experience in the employee benefits space working with regional, national, and multi-national employers over the last 13 years.

Ed has written and published white papers on "Population Health Management" and regarding Colorado's 2016 Amendment 69 "Colorado Care."

Education

B.A. in English | Bowdoin College, Brunswick, ME

Professional Affiliations

Group Benefits Disability Specialist

Civic Affiliations

Denver Metro Chamber of Commerce's Leadership Denver - Class of 2017
Community Health Charities of Colorado - Board Chairman
Junior Achievement - Volunteer
Bowdoin College BASIC - Volunteer

Public Sector (partial) Accounts

Larimer County | Pocatello Schools | Colorado Community of College Systems | City of Beatrice | Multiple Public Hospitals

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LOCKTON®

Jeanette Sharp

VP – Account Executive, Team Lead

Joined Lockton in 2010

LOCKTON
•HEALTH AND WELFARE•

Prior Experience

Reynolds & Reynolds, Inc.

LMC, Inc.

Expertise

As an Account Executive, Jeanette is responsible for providing consulting and account management support to clients. This includes servicing and marketing all aspects of employee benefits for her clients. She is the day-to-day contact and acts as the liaison to insurance carriers for her clients' eligibility, claims, billing, and any other issues that arise. Jeanette's focus is on producing exemplary employee-facing benefit communication to ensure that employees understand the value of their benefits package.

Jeanette has worked in employee benefits on the broker side for more than 13 years. Prior to that she worked on the employer side in human resources.

Education

B.S. in Child, Parent and Community Services | Iowa State University

Professional Affiliations

Colorado Insurance License – Life Accident and Health
Iowa Insurance License – Life Accident and Health

Civic Affiliations

Shawnee Mission Education Foundation | Board President
Missouri Military Academy | Board of Trustees
Harry S. Truman Library Institute | Wild About Harry Committee
Missouri Military Academy | Board of Visitors

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Shaylah Robertson

Senior Account Manager

Joined Lockton in 2017

LOCKTON
•EMPLOYEE BENEFITS•

Prior Experience

USI Kibble and Prentice

Sun Life Financial

Expertise

Shaylah has been in the employee benefits field since 2007, she has industry experience from both a carrier and broker perspective. She has worked with both small and large market employers, with fully-insured and self-funded plans. As a Senior Account Manager, Shaylah is the primary contact for her clients. She is responsible for managing the daily service needs of her clients and is involved in the marketing of each line of coverage at renewal, including the negotiation of coverage terms and rates. Shaylah provides support to the Account Executive as needed to ensure that all of her clients' service needs are met.

Education

Associate Arts Degree | Edmonds Community College

shaylah.robertson@lockton.com

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LOCKTON

Christopher Meehan

Account Administrator

Joined Lockton in 2017

LOCKTON
•HEALTH AND WELFARE•

Prior Experience

Cape Cod Tileworks

Expertise

Christopher is a Lockton Companies Benefit Account Administrator in the Mountain West Series with a book of business inclusive of large and small group clients. His primary focuses are in claims issues, communication pieces, and spreading data for his groups' strategic initiatives.

Education

B.A. in Communications | University of Massachusetts at Amherst Commonwealth Honors College

Professional Affiliations

Toastmasters | Vice President of Membership

Civic Affiliations

American Heart Association | Lockton Team Captain
Courage Classic | Team Lockton Co-Captain
National Society of Leadership and Success | Alumni/Member

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LOCKTON

Shaun O'Hearn

VP, Senior Benefits Financial Analyst

Joined Lockton in 2007

LOCKTON
•EMPLOYEE BENEFITS•

Expertise

As a Senior Benefits Financial Analyst, Shaun is charged with expanding the breadth and depth of our analytics capabilities and improving the quality of the analytics work we do. Specifically, he is responsible for evaluating and making recommendations on tools, resources, collaborating with Lockton Benefit Group (LBG) and/or outside vendors, process efficiency/improvement, workload allocation within the Unit, peer review/quality assurance, and training/development of Analyst staff.

Shaun has a key role in the development, deployment, and refinement of many of the tools and resources critical to our Clients' engagements. Shaun has managed a large, and complex, book of accounts, mentors new analysts, is instrumental in developing the training/on-boarding regimen for new Associates in the practice, and has conducted extensive training both within and outside the Unit.

Education

B.S. in Finance; B.S. in Mathematics | University of Wisconsin, La Crosse, Wisconsin

shaun.ohearn@lockton.com

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LOCKTON

7

DESCRIBE THE TRAINING (INDUSTRY, INTERNAL, COMPUTER, OTHER) THAT YOUR FIRM EXPECTS OR REQUIRES YOUR STAFF TO RECEIVE?

At Lockton, our Associates are our greatest asset. We are committed to providing the opportunity for each Associate, regardless of position in the organization, to better themselves both personally and professionally. The Mountain West Series and our corporate office have dedicated Talent Development programs and staff whose sole goal is to assist our Associates in their growth during their Lockton careers. Learning opportunities are catered to the business environment as well as Lockton specific business needs. These and other Associate initiatives have allowed us to be named a Best Places to Work for ten consecutive years.

The following list, while significant, is still only a partial inventory of the development support our Associates receive. Our robust approach to talent development makes our people some of the most sought-after in the industry.

Designation Support

If an Associate intends to pursue an insurance designation Lockton will dedicate resources to their success. The Denver office offer onsite testing services for exams taken through The Institutes and the International Foundation of Employee Benefits Professionals. Currently there are 33 individual designations through a variety of sources that offer a completion bonus as an additional incentive for Associates to further their knowledge. Whether it is CEBS, CPCU, or the RPLU, Lockton stands ready to commit time and resources to our Associates' success.

The LEAD Program

LEAD aims to develop the both the professional and leadership skills of Lockton Associates. The program is structured in four distinct learning phases consisting of Associate coaching, change management, leadership development, and self-awareness. Each phase includes two three-day workshops. Between phases, participants in the program will reinforce classroom learning with group coaching, one-on-one coaching/ consulting, e-learning modules, and group projects. Lockton uses internal subject matter experts (SMEs), certified coaches/consultants, and nationally recognized leadership facilitators to ensure development of leadership and management skills. The program aims to better Lockton by ensuring all our teams are performing at their best.

Passport to Leadership

The Passport to Leadership program aims to give newer Associates and first-time managers the tools they need to understand themselves, their teams, and their clients. The program consists of six classes covering emotional intelligence, behavioral styles, conflict styles, and coaching. Passport to Leadership aims to expose our future leaders to multiple lines of thought so they can prepare a plan for their leadership style.

Flight School

Flight School maximizes client value by educating Lockton Associates, particularly Account Executives, on strategic consulting, effective communication, and business knowledge techniques. The week-long course takes place twice a year. Associates that complete the course are better equipped to be sure that we are meeting a specific client's needs and how to determine when we are falling short.

Officer Training School

This is a shortened version of Flight School aimed at client-centric team members that may not have the opportunity to flex all the skills learned in Flight School.

Next Level Leader

This is a six-part series to assist Lockton managers in learning both practical, and new, leadership skills. Classes include Associate compliance issues, change management, management theory, theory application, and Associate retention. The goal is to give Lockton leaders a forum to learn new things as well as sharpen trusted skills.

Account Administrator (AA) Development Program

The AA Development Program is a immersion program generally used for an entry level Associate. The 6-8 week course walks through discipline specific basics of the insurance industry as well as Lockton policies and procedures. At the end of the program the Associate will have had exposure to most business areas in their discipline and be equipped to understand the "why" and "how" of the insurance industry. This program provides a terrific base for their future growth as a Lockton Associate.

Market Briefings

Occur bi-monthly with the purpose of creating awareness for Associates regarding market trends, new vendors, progressive approaches to managing benefits costs, and sharing of best practices.

Other Mountain West Initiatives

Over the course of the last 24 months, Lockton Mountain West has conducted 95 separate classroom offerings on our campus. With approximately 480 Associates in the Mountain West there was something for everyone with an overall attendance number approaching 2,000. The topics covered were driven by Associate engagement with our Series Talent Development Specialist. Lockton's commitment to Associate development runs deep and the establishment of a nimble, local, and Associate-driven framework demonstrates this.

Carrier-Sponsored Training

Lockton values our carrier partners and coordinate with them to provide guidance on relevant topics. The technical and industry expertise offered by our carrier partners provides a valuable tool for our Associates to stay on top of industry trends, technical knowledge, and product developments.

ONLINE LEARNING THROUGH THE INSTITUTES

The Institutes has partnered with Lockton to allow access to hundreds of class titles in their library. Through a prepaid learning agreement Lockton Associates have the ability to pursue knowledge in many different disciplines through a web portal engineered for today's working professional. Classes are broken into sections so that any one day is not dominated by the learning experience.

PRESENTATION AND SPEAKING SKILLS

Lockton has several options for working on this crucial skill. We support Associate participation in Toastmasters. This program is available through our in-house club in Denver or through a local club convenient to the Associate.

In addition to Toastmasters, the Talent Development Department conducts a two-day onsite presentation workshop on a regular basis. This workshop walks through both the building of an effective business presentation and the exhibition of it. Workshops are held primarily in Denver but can be moved to additional sites as the needs warrant.

LOCKTON DRIVEN PERSONAL DEVELOPMENT

Lockton has partnered with many of the top behavioral management companies in order to have access to the tools that can help Associates know themselves. DISC assessment, Emotional Intelligence 2.0, and the Meyers Briggs Sessions are run onsite and remotely on a regular basis to be sure that everyone has an opportunity to learn what makes themselves tick.

PARTNERSHIP WITH THE EMPLOYERS COUNCIL

The Employers Council is one of the largest providers of human capital training in the Rocky Mountain Region. With offices in Denver, Salt Lake City, and Scottsdale the Employers Council is an important resource. Through our partnership with The Employers Council Lockton Associates have access to over 300 professional and business topics to move them forward in their careers. The Employers Council uses a blended learning approach so regardless of whether an Associate is located in a city with a classroom or not, their needs can be met.

PROVIDE DETAILS ABOUT HOW OUR ACCOUNT WILL BE HANDLED:

All individuals noted are assigned to Adams County.

Oversight will be provided by Lockton partners, Leo Tokar and Ed Pierce. Their responsibility is to ensure Adams County has a strategy for the benefit program, receives all the support it needs to execute on that strategy, and Lockton exceeds the County's expectations.

Account Executive: The account team is lead by the account executive, Jeanette Sharp. She will be the point person and coordinate all of Lockton's resources and deliverables for Adams County.

Account Manager: Shaylah Robertson will be the day to day contact for service needs and project management. She also provides support to the Account Executive as needed to ensure that all of her clients' service needs are met.

Account Administrator: Chris Meehan's primary areas of focus are in claims issues, communication pieces, and spreading data for his groups' strategic initiatives.

Senior Financial Analyst: Shaun O'Hearn is responsible for ensuring Adams County understands its financial performance, the drivers of that performance, and identification of actionable areas. That includes financial evaluation of current and proposed strategies and vendors, development of tools, reporting, modeling and dashboards, and integration of related efforts such as wellness/on-site clinic and medical benefits.

The core team is supported by these specialty resources.

- Linda Brink, VP, Director, Health Risk Solutions: wellness programs and on-site clinic management
- Rebecca Lich, SVP, Pharmacy Practice Leader: pharmacy analytics and auditing
- Melissa Morris, Senior Communication Specialist: communications services and development of communications materials
- Jay Kirschbaum, VP, Compliance Services: legal and regulatory support
- Jeff Long, AVP, Healthcare Actuary: actuarial services including reserves, valuation and attestations
- Ron Leopold, VP, Medical Director: clinical support
- Brad Mandacina, VP, HR Technology and Outsourcing: benefit administration guidance

DESCRIBE ANY WELLNESS AND EDUCATION SERVICES THAT YOU EXPECT TO PROVIDE TO OUR ACCOUNT AND ANY ADDITIONAL SERVICES THAT ARE AVAILABLE AT OUR REQUEST. NOTE WHICH SERVICES WILL BE SUBJECT TO AN ADDITIONAL FEE. PLEASE PROVIDE SAMPLES OF MATERIALS THAT YOU OFFER.

Wellness Services

Lockton Health Risk Solutions® (HRS)/Wellness Consultants partner with clients in strategic planning to understand the corporate culture and organizational goals in relation to the wellness program so we can develop a multi-year strategy. Lockton will create a customized multi-year wellness strategy plan designed around these goals and facilitate the process to secure the tools, resources, and appropriate program partners to implement the wellness strategy.

Lockton provides support to clients in any stage of their wellness program progression. For some clients, we partner with the medical carrier and well-vetted vendors to develop a robust and internally grassroots-driven educational and morale building program. For other clients, we work with third-party wellness vendors to develop a custom, comprehensive wellness program inclusive of incentive management and data analytics. Some Lockton clients have full outcomes-based wellness programs which we help develop and oversee the vendor management.

The health analysis starts by talking with Adams County's human resources and employee benefits experts. You know your employees and their families best, and we will work together to customize a health risk solutions approach that best suits your organization and people. The services we offer include:

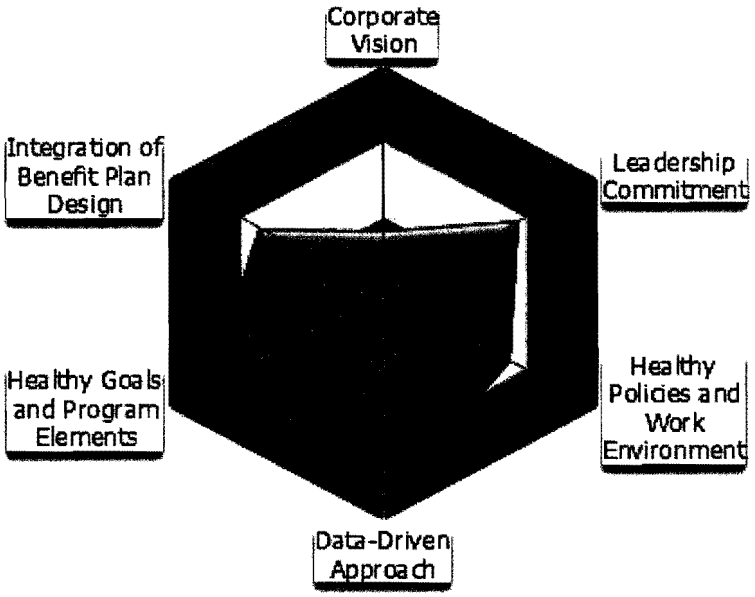
Wellness Baseline Assessment

We will collect and evaluate your employee healthcare using Lockton's data analytics tool, Infolock Employee Benefits, readiness-assessment tools, and other analytic tools. Lockton professionals identify opportunities and goals for a strategic plan focusing on areas of clinical, financial, and behavioral impact.

The assessment phase is followed by goal-setting together with the client to build a long term, comprehensive and compliant strategy encompassing:

- A focus on all dimensions of wellbeing
- Targeted programming for conditions and risk factors
- Access to care solutions
- Communication and culture recommendations
- Environmental policies
- Alternate benefit designs such as value-based benefits
- Incentive design and engagement
- Metrics to measure goals and outcomes

Your Health Risk Solutions Profile



Identifies strengths and opportunities

Wellness Program Development

The Lockton Health Risk Solutions® (HRS) team partners with each client to: develop a long-term action plan that includes behavior-based interventions, environmental support, communications, and engagement strategies.

- Identify best-in-class providers to reduce your specific health risks.
- Identify metrics to evaluate vendor performance and progress.

Wellness Program Implementation

The Lockton HRS team along with Adams County will:

- Evaluate and implement best-in-class providers to reach unique client-population needs.
- Set the performance expectations, including time frames, clinical and financial measures, and administrative efficiencies.

Wellness Program Evaluation

On a regular basis, Lockton measures and reports:

- Clinical, financial, and behavioral improvements.
- Effectiveness of the providers.
- Current state of Adams County relative to the baseline assessment and normative data using our data analytics resources.

A case study is included at the end of this section.

Education Services

Wellness education is integrated into the communications services we provide to our clients. We have an extensive library of wellness pieces that can be accessed and integrated into the communication plan and an annual calendar with new content that is pushed out every month.

The following samples are included in the appendix:

- Our wellness calendar from 2019
- Sample newsletters
- Communications plan sample that addresses total wellbeing

In addition, we can integrate wellness education into open enrollment support and provide pre-recoded videos (Brainshark) that support broader new hire and enrollment messaging.

Lockton approaches our work with an "all in" philosophy where our services are included in our fee. We try to not charge for special requests but examples of services that may carry an extra fee include:

- On-site clinic feasibility analysis
- Fully customized communications (content not available through our library)
- Pass-through fees for wellness vendors

Case Study

Lockton multi-focused population health solution is projected to save $1.9M over the next 3 years.

[redacted]

[redacted]

[redacted]

SOLUTION

Lockton's data analytics program, InfoLock detected three significant rapidly rising issues:
a) hypertension, b) hyperlipidemia, and c) stress and depression. It was also determined that a segment of the population was increasing usage with a high-cost provider located near the main facility.

- Focused wellness initiative: With the assistance of Lockton wellness consultants we launched biometric screening for employees and spouses, tied to incentives for a 'know your numbers' campaign first year. Over the next year a wellness committee was formed and challenges and community-based physical events were staged. The recommendations included implementing an incentives and rewards vendor to manage a full points system engagement plan.
- Onsite Clinic: With the assistance of Lockton Medical Directors and wellness consultants Lockton performed a needs assessment and assisted in 3rd-party vendor selection, negotiation and launch. A recommendation was made and an employee clinic was opened. A significant communication campaign "meet the clinic" commenced and drove early participation which far exceeded projections

RESULTS

In the first year of the wellness program 80% of all employees were screened. Challenges have averaged 15% participation and volunteers with success stories of their own have been featured in company newsletter.

- Early results show hyperlipidemia and hypertension have reduced by 8% and 15% respectively. Clinic utilization has been heavily used for light diagnostic work and some preventive care. Overall preventive care statistics have increased by 12%. Despite the cost of the clinic overall healthcare costs have leveled back down to single digits and dropped another point.
- Member satisfaction has been high with the onsite clinic. Overall member experience with total solution has been positive.

DO YOU PROVIDE EMPLOYEE COMMUNICATION SERVICES FOR YOUR CLIENTS' EMPLOYEES? IF SO, PLEASE PROVIDE A GENERAL DESCRIPTION OF YOUR CAPABILITIES. PLEASE PROVIDE SAMPLE EMPLOYEE COMMUNICATION MATERIALS THAT YOU HAVE DISTRIBUTED TO OTHER CLIENTS. HOW DO YOU HELP FACILITATE ANNUAL OPEN ENROLLMENTS? INCLUDE TECHNOLOGY-BASED APPROACHES AND IDENTIFY ADDITIONAL COSTS, IF ANY.

Communication Services

At Lockton, we know that effective employee communication is vital to a successful benefits package. An employee who understands their benefits, values their benefits, and can make informed decisions, which is good for both the employee and employer. We also know that employees judge their benefits based on their personal experiences. By educating employees on how their plans work, there are no surprises when they go to use their benefits.

Lockton has a well-developed internal communications team, whose sole responsibility is creating and producing employee-facing content to support our clients' employee benefits messaging needs. As with all Lockton services, we take a customized approach to developing a communication platform for our clients. Every client is unique; each is comprised of key constituents in a distinct community. Health and Welfare benefits are an important portion of Adams County's total rewards and human capital program. Because no two employees are the same and you have a multi-generational workforce across multiple company locations, it is critical to provide multiple distribution channels of integrated, anytime, anywhere benefits information to meet the needs of your employees. Lockton's communication professionals assist in the creation of messaging that aligns with your culture and organization. These communications can be provided in digital and print formats, in web, meetings and mobile media.

Our communications suite of services includes:

- Employee benefit guides
- Custom benefits website
- Employee election materials
- HDHP/HSA education materials
- Enrollment/new-hire materials
- Health and wellness education
- Topical education pieces
- Zmags interactive PDF
- Webinars
- Brainshark presentations

- On-site meetings
- Smartphone app
- Text messaging
- Benefits website

The following communications materials are included in the appendix:

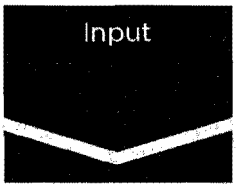
- Benefit overview
- Benefit guide sample
- Communications template options
- Open enrollment announcement
- Communications education sample on where to seek care

More broadly, our strategic approach ensures that we deliver the right messages, to the right audiences, using the right channels, at the right times. Through our five-step communication process, we will determine how we can best target your employees to ensure engagement.

5-STEP PROCESS

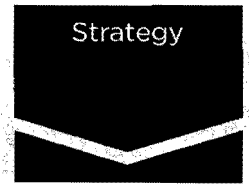
Establish objectives, understand issues (rationale), determine stakeholders, review demographics—language, gender, culture, generation, location, literacy, identify key messages, establish success measures, audit existing communications—Type (paper, electronic), appropriateness, amount, frequency, timeliness

Input



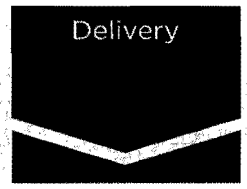
Establish two-way communications, secure leadership buy-in, engage plan members—ask for input, align formal and informal communications, establish baseline, determine preferred communication channels

Strategy



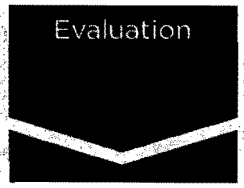
Deliver the right messages to the right audience with the right channels at the right time, achieve stated objectives including budget, roles and responsibilities, timing and testing; messages should be targeted, streamlined and personalized

Delivery



Draft, design, and produce materials, testing and quality assurance, translation, distribution, training, distribute talking points to all leaders (including mid-level management)

Evaluation



Gauge member response to media and messages, test member understanding, measure changes in attitudes and behaviors, identify gaps/issues for future/future communication topics, establish new baseline, determine what should we stop doing, what should we keep doing, what should we start doing

Open Enrollment Support

Lockton will help facilitate annual open enrollments. Open enrollment preparation will begin during our annual strategic planning discussions with Adams County. During the strategic planning process, we evaluate any possible changes with the renewal and develop a strategy for communicating changes with employees. After the strategy has been established, Lockton will create an open enrollment timeline and begin preparing with our internal Communications Consultant to develop an open enrollment campaign. We will work with the your HR team to design an "Adams County branded" communications campaign and open enrollment presentation slides based on the strategic direction. As open enrollment approaches, Lockton will coordinate with the Adams County team to establish an open enrollment meeting schedule including face-to-face meetings or WebEx. In some cases, our clients ask for Lockton to provide 'train the trainer' meetings, which we are happy to support. Open enrollment meetings can be hosted via WebEx, and are recorded and made available to all employees who are unable to attend the live event. The Lockton team will also support with face-to-face employee meetings.

In summary, our open enrollment support includes:

- Live attendance/support and/or WebEx meetings
- Open enrollment presentation materials
- Open enrollment postcards and posters
- Recorded Brainshark open enrollment presentations
- Access to a variety of template guides which expand on understanding of specific employee benefits, such as "where to access care" or "how FSAs/HSAs work"
- Plan selector tool to help employees chose the best plan design for their family's needs

Technology and Other Support

In addition to the services described about, Lockton maintains a Benefits Engagement Practice to review your current benefit administration, communication and enrollment methods and implement any of the following:

- Benefits administration efficiency review
  - Robust benefit administration support
  - Call center support for OE and new hires
  - Carrier feeds
  - Self-service portals for QLEs and benefit changes

- Benefits education and literacy
  - Face-to face or call center enrollment support
  - Additional language support
  - Centralized website or intranet hosting of all benefit documents and helpful links
  - Electronic benefit confirmations
  - Carrier/vendor communication tools, videos, and decision support
  - Text and mobile phone communication
- Benefits optimization
  - Offering benefits that help employees fill gaps in current coverages
  - Help employees plan for unexpected events and out of pocket expenses
  - Carrier consolidation
  - Carrier technology funding
- Benefit administration system
  - Employee Navigator (robust leave-behind cloud-based solution)
  - Complete employee and benefit tracking
  - Ad-hoc reporting
  - OE carrier eligibility reporting

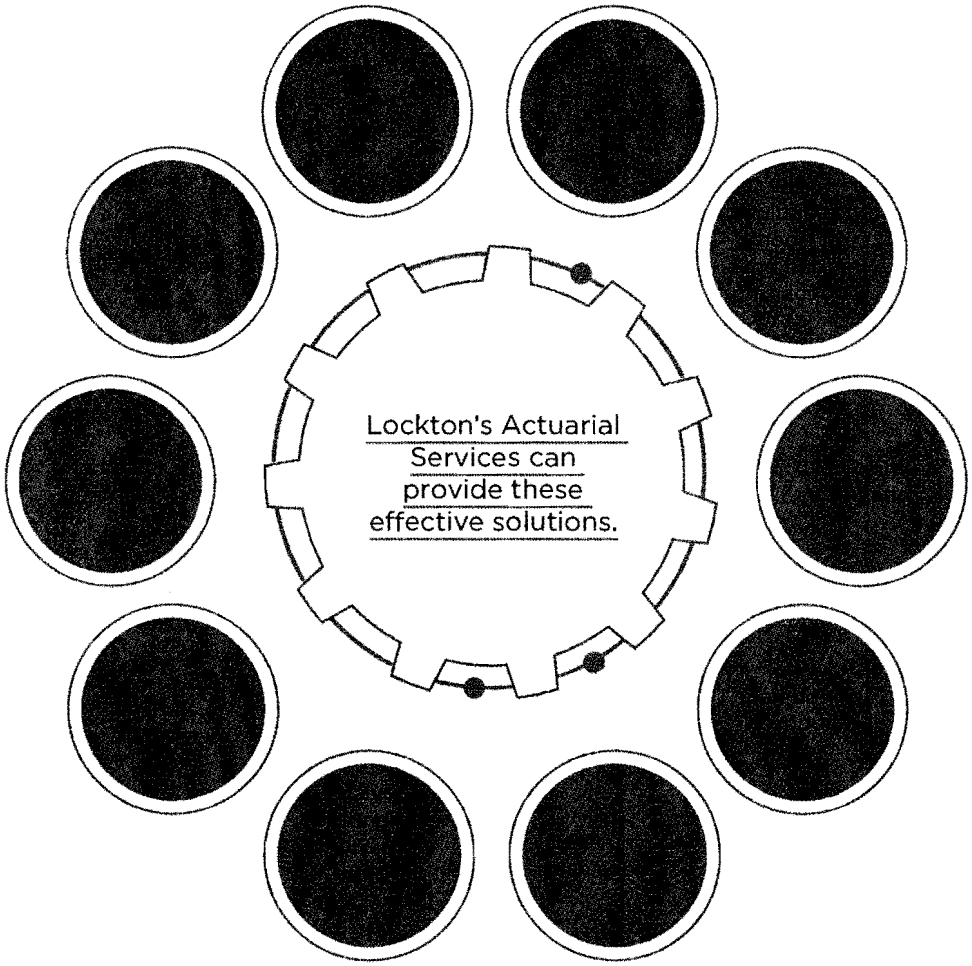
The funding for the system and call center is outlined in the pricing document.

7

DESCRIBE THE FINANCIAL AND ACTUARIAL SERVICES THAT YOU OFFER. DESCRIBE HOW YOU CAN ASSIST US WITH METRICS/ROLS FOR OUR BENEFITS AND WELLNESS PROGRAMS.

Financial and Actuarial Services

Lockton maintains a team of underwriters, financial analysts and actuaries who offer a wealth of best practices and tools to allow the greatest degree of accuracy and efficiency. Adams County would have both a financial analyst, Shaun O'Hearn, and an actuary, Jeff Long, assigned to support your benefit program. Jeff and Shaun will assist with financial modeling, rate setting and reserving, plan designs, health reform exposure, network analysis, plan migration analysis modeling, all forms of contribution strategies including defined contribution approach, attestations and more. Their client services would extend to financial alternatives and risk management modeling, contribution and plan migration analysis, attestations and more.



In addition, we provide a proprietary health claims data warehouse and claims analytic tool, Infolock, that enables Lockton to receive monthly data feeds from your third-party claims payers (including Kaiser) so that the data can be retained for future analysis and trending. Infolock combines your claim data with data from biometrics and health risk assessments, as available. Examples of the areas Infolock enables are:

- Data retention in the event you change carriers or TPAs
- Benchmarking financial, utilization, and diseases measures
- Population risk stratification to understand segments that are driving claims
- Predictive modeling that provides insight into how your risk will affect future costs
- Data segmentation that can isolate areas to focus wellness programs, or identify needs by geography or other strata

Metrics/ROI

Strategically crafted wellness programs that sustain more than 75% participation for three or more years are most opportune for calculating ROI. It takes time and commitment from the company and employees to get a wellness program to the level where an ROI can be realized. Even with a well-designed program and high participation, ROI can be more clearly demonstrated for certain types of programs such as outcomes based, targeted condition management (i.e. diabetes, weight and Rx), certain types of health coaching, and value based plan designs.

Often we look at overall program evaluation instead of only measuring ROI. Program evaluation is a key element of the wellness program cycle. When evaluating, we may also measure VOI, or value on the investment of a client's program. Wellness programs can have positive effects across various aspects of an organization, such as shift in corporate culture, enhancements to the built environment, improved employee engagement/ employee perception, increased participation, improved productivity and reduced absenteeism.

When evaluating the wellness program, both qualitative and quantitative data sources can be utilized the capture the data most important to the client. Data sources include: aggregate biometric screening data, aggregate health risk assessments data, claims and utilization reports, employee surveys, engagement surveys, focus groups and testimonials. Lockton utilizes our proprietary Infolock database to show clients risk and cost metrics for employees engaged in the wellness program versus non-engaged employees. To measure for ROI, Lockton's self-funded groups receive an annual wellness program measurement report which compares plan utilization, plan spends and population health risk for wellness program participants versus non-participants. Our Health Risk Solutions Consultants advise clients on the most appropriate evaluation methods and data sources to measure progress toward goals.

In assessing effectiveness, we found that engaged employees have:

- Lowest per member, per year (PMPY) costs
- Fewer gaps in care
- Fewer chronic conditions
- Significantly higher office and preventive visits
- Lower emergency department utilization

In addition, we work with clients to develop meaningful metrics and dashboard that allow "at a glance" assessment of progress. Please refer to the appendix for examples we have implemented for clients.

- Infolock dynamic dashboard
- Comprehensive dashboard
- Key measures dashboard
- Wellness dashboard

DISCUSS BRIEFLY ANY OTHER DIVISIONS OR SPECIAL EXPERTISE YOU HAVE THAT MAY BE HELPFUL TO ADAMS COUNTY'S BENEFITS PROGRAM.

Strategic Planning

There are two elements to developing a multi-year strategic plan and forecast. The first is an understanding of an organizations rewards philosophy and guiding principles. The second is estimating the long-term costs associated with the status quo and the impact of strategic initiatives.

We have several proprietary tools that we use with our clients to manage their plans and outline a benefits strategy consistent with the current and future business plans.

STRATEGIC PLANNING DOCUMENT – Annually a team of Health and Welfare leaders from across the country convene to review key benefit trends and metrics. This information is used to create a strategic planning tool that our local teams can use and/or adjust as needed to conduct a thorough meeting with our clients. We use Seismic, a document management platform, to create a document specific to each client.

BENCHMARKING TOOLS – Benchmarking key plan features and costs are an essential part of the plan management and strategy development process. As outlined earlier in our response, we use a number of surveys to collect this information. We utilize Benefitpoint as our agency system for all Lockton Employee Benefit clients. We use a strategic tool named Edge to mine this data to create a detailed benchmarking analysis as part of our process.

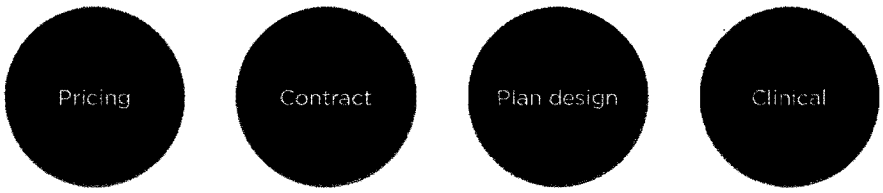
INFOLOCK - We use our proprietary data mining tool to understand current and future claim cost drivers. Infolock is a key component in the development and management of a wellness program. It also provides baseline and ongoing program metric data to determine the effectiveness of any strategy that is developed so it can be evaluated and refined.

IDEAL PROFILE AND GPS - These tools, highlighted in our response to the next question, allow us to get feedback from the leadership of an organization, identify an organizational profile, and identify the cost management/strategic options that align with the values of the organization. This becomes the baseline for our development of guiding principles and a multi-year strategy.

Pharmacy Analytics

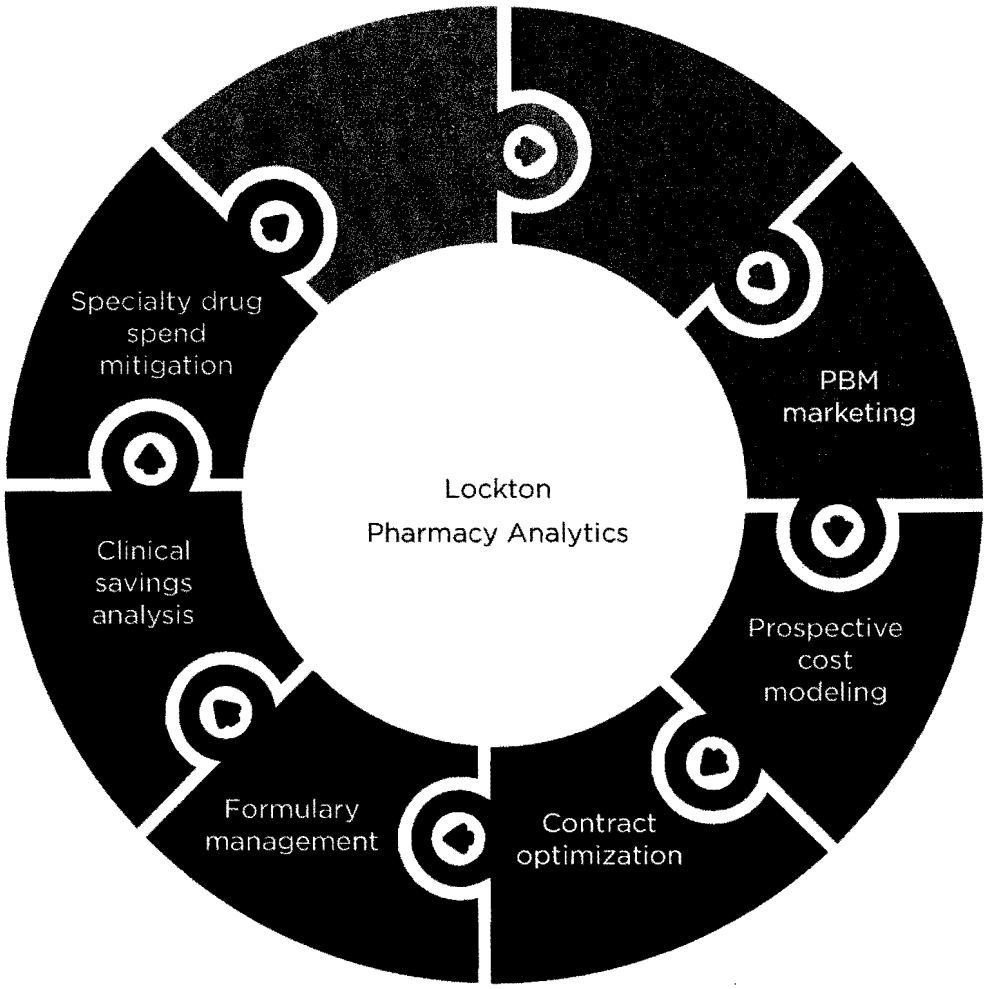
In light of ever-increasing pharmaceutical costs and the growing use of specialty medications, understanding prescription drug trends is in every company's best interest. Like all components of health reform legislation, the prescription benefits industry is in a state of flux. Lockton can assist Adams County in driving waste from your pharmacy program through pharmacy diagnostics.

A Lockton pharmacy diagnostic provides a 360-degree review of your pharmacy benefit. We analyze all components of your pharmacy program:



Our deep analysis is based on your actual claims data — each and every drug. We uncover areas of hidden risk and show you opportunities for savings. Armed with the results of the pharmacy diagnostic, Lockton will then work with you to develop a strategic plan.

We have achieved average client savings of $100 per employee per year through pharmacy benefit manager (PBM) renewals and marketing. Here is what we will do for you:



To further assist you, Lockton will target key disease states with impactful drug utilization programs. We will also help you shift as much risk as possible to your PBM through actionable guarantees, and we will ensure that your PBM's performance is consistent with its guarantees.

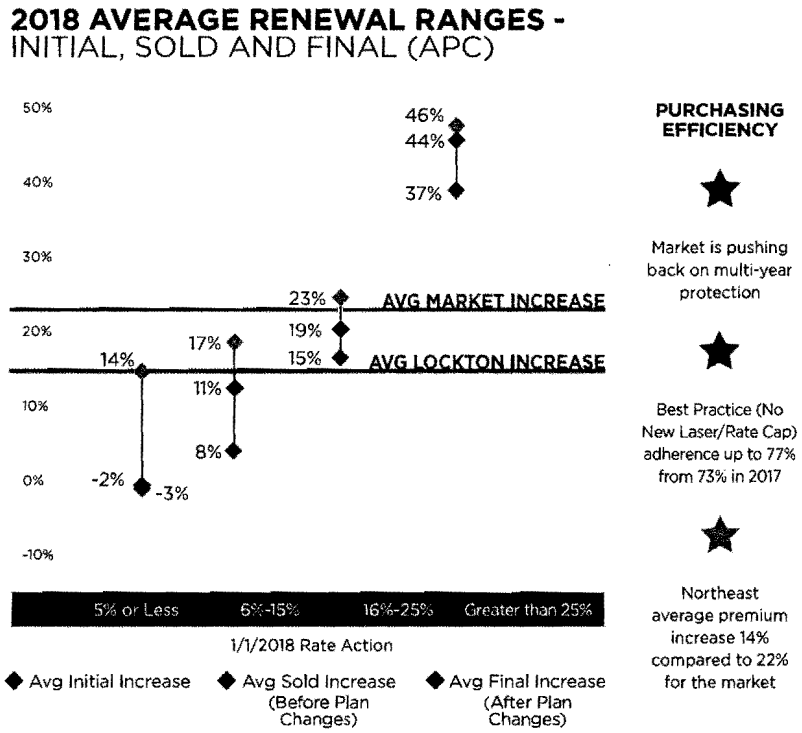
Lockton can help you develop an appropriate formulary and step-therapy program to encourage the use of lower-cost generics and preferred brands.

Tools and resources

- Lockton pharmacy diagnostic: A deep analysis of the program based on detailed claims data.
- PBM marketing: We are experts at marketing the PBM business and securing solid PBM contracts.
- PBM audit: We audit your pharmacy claims data at the end of the year to make sure all pricing guarantees made by the PBM were met.

Stop Loss

Our stoploss division is staffed with clinicians who have the ability to review large claims for appropriateness and secure best-in-class contract provisons that include no new lasers and second year rate caps.



Enhanced Clinical Program

- Dedicated Medical Director Leadership
- Additional Clinical Reviews with increased frequency (quarterly)
- Additional Cost Containment with lower threshold, more triggers and specific case referrals
- Pre-Pay Reviews
- Detailed Reporting
- Concurrent Utilization/Case Management
- First Dollar Opportunity Trends
- Usage Pattern and Provider Analysis
- CCU Liaison
- Enhanced Clinical Resources

Due to these and other resources, Lockton's expertise is focused around a self-funded client.

Stop Loss Modeling

Given the complexities of the stop loss markets, increased scrutiny around high-cost claims, and resource demands due to healthcare reform, Lockton has added stop loss specialty resources. We incorporate best practices around renewal marketing and implementation and post-placement services for our clients, and we are leaders in the industry by adding stop loss clinical staff to manage high-cost claims and identify claim savings opportunities.

Our stop loss analysis and counsel for self-funding incorporates Monte Carlo simulation software that estimates the difference in risk between various stop loss levels; helps select optimal individual stop loss levels; provides expected number and dollar amount of claims above the ISL level; and provides the probability that aggregate claims will exceed various levels.

Lockton
Stop Loss Analysis

Group Name:	Sample
Time period of projection:	1/1/2011 - 12/31/2011
Number of Employees:	500
Number of members (estimated):	1250

Comparison of Quotes

What is the plan's expected cost under the various options?	Without Stop Loss	$100,000	$125,000	$150,000
Expected Claims (Paid by Plan after specific and aggregate)	$4,493,467	$4,001,978	$4,091,982	$4,151,142
Specific Premium		$652,962	$525,536	$437,256
Aggregate Premium		$0	$0	$0
Total Expected Cost (Expected Claims + Stop Loss Premium)	$4,493,467	$4,654,940	$4,617,519	$4,588,398
% of simulations this option "wins"		22%	6%	72%
Premium savings		[illegible]	[illegible]	[illegible]
Additional Expected Claims		[illegible]	[illegible]	[illegible]

Specific Expected Claims

	$100,000	$125,000	$150,000
How many claims can the plan expect to exceed the specific deductible?			
Number of Claims Exceeding Specific Deductible			
Average	4.4	3.2	2.2
Minimum	0.0	0.0	0.0
25th Percentile	2.0	1.0	1.0
75th Percentile	6.0	4.0	3.0
Maximum in 1,000 trials	18.0	16.0	12.0
How many dollars do we expect to be reimbursed by the stop loss carrier?			
Total Dollar Amount of Claims Exceeding Specific Deductible			
Average	$489,722	$394,152	$327,942
Minimum	$0	$0	$0
25th Percentile	$127,000	$67,375	$28,000
75th Percentile	$657,500	$525,500	$429,125
Maximum in 1,000 trials	$9,152,000	$8,927,000	$8,767,500

Methodology

Lockton used a Monte Carlo simulation model to project 10000 scenarios of paid claims both in aggregate as well as claims above the specific. The average of those 10000 trials and the min/max and percentiles are shown above. This methodology allows a plan sponsor to see the variance around the mean in analyzing the quotes. The simulation starts with a claim probability distribution that represents annual claims for over 1 million members.

HR Technology and Outsourcing Services

Lockton possesses a dedicated HRIS consulting practice (Client Technology and Outsourcing Solutions) to help our clients streamline benefit administration. General discussions in this area are included as a standard service. Specific projects as outlined further, are provided at an additional fee.

We help clients identify online OE, benefit administration and outsourcing alternatives that meet their unique and specific needs through a formal evaluation and discovery process. We can then procure the best alternative through our formal HRIS procurement process:

- Discovery
- RFP analysis and selection
- Contract execution
- Implementation support

The cost of an online OE, Benefit Admin and/or Benefit Outsourcing solution can be paid directly by Adams County, built into Lockton fee or we can become creative to save costs through Voluntary Benefits and insurance carrier admin subsidies.

Situational Analysis

Lockton will assist with analysis of your current technology and processes, including:

- Current contract review
- Current state assessment
- Strategic project impact
- Business case development
- Return-on-investment (ROI) analysis

Change Management

Lockton will partner with you through a big change to ensure successful delivery for your technology or outsourcing investment.

- Assess your current workflows, information processing and communications.
- Create a clear and compelling vision for the future.
- Develop a transformation plan on how change will occur, including assigning roles and responsibilities.
- Inspire commitment throughout all levels of your institution.
- Provide a detailed communication strategy and plan for rolling out change.

Vendor Selection

Lockton is vendor-neutral. We work will all HR technology solutions in the marketplace to find the ideal fit for Adams County.

- Consultation around vendor and solutions available to Adams County
- Lockton manages Request For Proposal administration
- Vendor due diligence support, contract negotiation
- Deliverables:
  - Total cost of ownership analysis
  - Critical factor value-based rankings
  - Signature-ready contracts

Implementation Oversight

Lockton is your advocate during the vendor-led implementation, ensuring that the full depth of the vendor organization resources are at your disposal.

- Establishment of project steering committee
  - Participation from Adams County, Lockton, and the vendor
  - Management of internal stakeholder support
- Contract negotiation
- Deliverables:
  - Implementation preparation meeting without vendor
  - Attendance at implementation kickoff and key project reviews
  - Reviews of key vendor deliverables
  - Sourcing of third-party expertise as needed

Implementation Project Management

Lockton is your team's project manager during the vendor-led implementation, ensuring appropriate resources are available and timelines are met.

- Same as implementation oversight plus the following:
  - Own overall implementation project management of tasks, which includes management of the following:
    - Requirements gathering process
    - Issues/risk tracking process
    - Testing process
    - Go live process
- Work with the vendor selected to plan key implementation project kickoff meetings and provide guidance so that solutions are defined using industry best practices
- Facilitate weekly status meetings and provide guidance and feedback

Benefits Engagement Practice

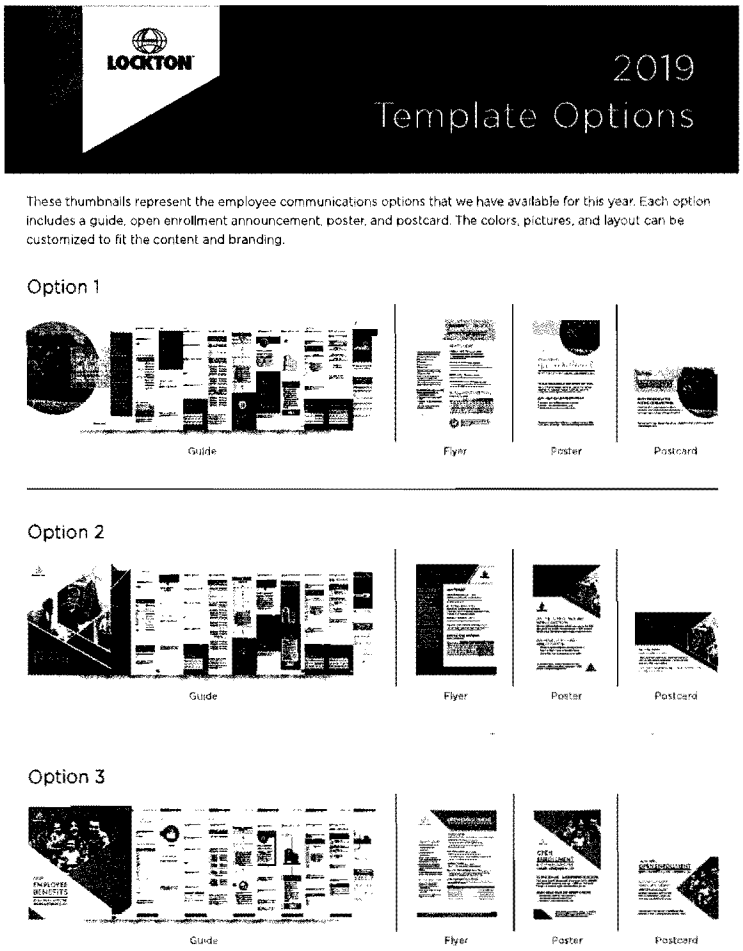
Lockton maintains a Benefits Engagement Practice that can review your current benefit administration, communication and enrollment methods as well as provide solutions to ranging from enrollment system to one-on-one enrollment to call center support. The services available are outlined in response to question 6 under Technology and Other support.

Employee Communications

Lockton understands that timely, easy-to-understand communication pieces enhance the value of the benefit programs. We also understand that the benefit strategies we develop with the Adams County team will only be effective if the employees understand them. Melissa Morris, Senior Communication Specialist, understands the value of proactive and thoughtful communication to ensure employee (and dependent) understanding and appreciation of the Adams County benefit program.

Our communication support begins with a thorough review of your current communication process. Based on our findings and input from Adams County, we will provide a gap analysis to ensure that your employees are receiving all communications necessary to understanding the value of their benefit program.

Next, Lockton will work with Adams County to develop an annual service delivery plan that is effectively integrated with the overall plan strategy. Our typical services include open enrollment materials, ongoing materials for recruitment and new hire orientation, and online communications counsel as required. We can also incorporate wellness related communications into the service delivery plan.



Benchmarking

The benchmarking services offered include:

- PROPRIETARY BENCHMARKING: Lockton's proprietary database (BenefitPoint) gives us the means to search for benchmarking measures such as plan design, cost, fee and other information from 2,400+ clients around the United States and provides benchmarking data based on employer size, geographic locations, industry, and other factors. To address the questions above, this proprietary database allows Lockton to maintain a national database of clients across all major sectors and employee populations – a key information source in our strategic planning process.
- EXPANDED BENCHMARKING: Lockton also purchases key national employee benefit surveys and benchmarking tools, which provide comparative data by plan design, costs by size, region, and industry-specific SIC codes.
- EMPLOYEE COST BENCHMARKING: As part of the benchmarking process, Lockton can benchmark the total employee cost including both out-of-pocket medical expenses and premium expense to produce a complete picture from the employee's lens.
- FINANCIAL/UTILIZATION/UTILIZATION BENCHMARKING: Lockton's proprietary data mining tool, Infolock, provides benchmarking with respect to medical utilization trends for 2 million member lives associated with large, self-funded or experience-related employers around the country. These benchmarks include chronic condition prevalence, average cost data for 30 chronic conditions, financial metrics, and extensive utilization statistics and associated member claim costs.
- CUSTOMIZED BENCHMARKING: Lockton can survey a cohort of employers and compare Adams County's benefit package to others in your industry in terms of employee cost and plan design.

In addition, Lockton is the only firm that conducts an annual Colorado Employer Benefits Survey to support our clients. This survey also now has a national scope. We invite several hundred employers throughout the state of Colorado and thousands nationally to provide information specific to their employee benefit offerings. The survey focuses on key areas such as:

- Business issues affecting benefit program management
- The rate increase that employers will receive for medical insurance for the next plan year and how that compares to other published surveys
- Employers' greatest concerns regarding their benefits program and cost mitigation strategies being used
- Key elements of benefit plan management including use of consumer-driven healthcare

DESCRIBE HOW YOU WILL APPROACH THE MARKETPLACE. WHAT INFORMATION OR PROCEDURES WILL YOU EXPECT OF THE COUNTY, PRIOR TO MARKETING OUR COVERAGE?

Marketing

One of Lockton's strongest attributes is our ability and expertise to negotiate with insurance carriers on our clients' behalf. Lockton continues to gain competitive advantage in the marketplace to obtain maximum value for our clients' benefit. Lockton not only has access to the most competitive markets, but we enjoy an unmatched reputation for honesty and professionalism. We always work on behalf of our clients' best interests. We do not favor any one insurance carrier nor do we have special arrangements with insurance carriers that jeopardize our objective counsel and ability to provide the most competitive rates for our clients. The formula to ensure employers receive the most competitively priced health and welfare insurance programs (including lowest possible administrative fees, pharmacy program costs and stop loss insurance premiums) is comprised of many factors including:

- National and regional purchasing power
- Success in negotiating "consortium" arranged pricing. Have also accessed Group Purchasing Organizations (GPO) for certain lines of coverage.
- Strong carrier/TPA relationships (sales underwriting, underwriting and actuarial, broker/carrier executives)
- Market competition through prudent/professional RFP process that depicts Adams County as an extremely attractive prospect
- Savvy and effective brokerage team negotiation
- Real time benchmark information on carrier admin fees/stop loss premiums for corresponding administrative services and stop loss contracts
- Underwriting and actuarial expertise
- Stop loss expertise and brokerage reputation in the marketplace
- Detailed large claim analysis with clinical counsel
- Stop loss purchasing pools including multiyear rate caps
- Stop loss simulation modeling to select optimal individual stop loss levels (and aggregate buy down levels)
- Documented stop loss best practices
- Overall claim analytics and disease management stratification to assess risk morbidity index

- Incorporating health risk management strategies (including Morbidity Risk Index) into rate negotiations
- Pharmacy analytics capabilities to negotiate most favorable Rx pricing terms (discounts, rebates and dispensing fees); contract provisions (to remove PBM gaming) and performance guarantee adherence process

For any renewal/placement, the major factor or technique instrumental in obtaining final rate relief from the insurance underwriter could be any one (or two) of the factors outlined above. It is paramount that the broker who represents Adams County excels in each component identified above and uses a team approach. Lockton always looks to partner with our clients in their best interest and availability of time. As an extension of your team, Lockton handles all the blocking and tackling of data gathering (with an exception of a census), RFP preparation, compiling results, and presentation on behalf of Adams County. Where Adams County's involvement in the process is critical comes from meeting with the account team to establish criteria for success before marketing, meet with finalists and Lockton to determine best fit, and time to meet for analysis review.

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WHICH MARKETS DO YOU TYPICALLY REPRESENT? IF YOUR FIRM HAS OWNERSHIP IN ANY MANAGING GENERAL AGENT, SURPLUS LINES BROKER, REINSURANCE BROKER, INSURER, REINSURER OR OTHER ORGANIZATION YOU WOULD USE IN PLACING INSURANCE COVERAGE'S, PLEASE IDENTIFY THEM.

As the largest privately-held broker in the industry, Lockton maintains a significant book of business with numerous insurance carriers/administrators. Our size allows us to work with our vendor partners to make certain they can service our clients at the best possible cost.

We work with virtually every appropriately rated insurance carrier, administrator and vendor in the market today. We maintain relationships throughout all levels of each organization from day-to-day account reps up through executive management. We do not have specific channel relationships with any vendor in the marketplace nor do we maintain any ownership in any other organization. All of our relationships are arms-length.

Lockton participates in numerous consultant/broker carrier advisory groups both on a local and national level to make sure we know carrier underwriters and executives up into the C-suite. We maintain status as a UnitedHealthcare Platinum Producer; we participate on UnitedHealthcare's National Advisory Council; we participate in the Blue Cross Blue Shield Producer Advisory Council PAC; and sit on Aetna's and CIGNA's National Advisory Boards.

Our national buying power provides significant leverage. This is important because the insurance carriers/administrators often underwrite the producing consulting firm just as much as the individual plan sponsor. Lockton has established preferred status with major and local carriers/administrators as well as numerous vendor partners.

This influence allows us to create relationships with the top senior leadership of the carriers and allows us to negotiate the most favorable outcomes for our clients. Lockton can negotiate from a position of strength with our vendors that clients simply cannot do on their own.

11

DISCUSS PROCEDURES USED BY YOUR FIRM IN EVALUATING INSURERS IN TERMS OF FINANCIAL INTEGRITY OR ACCEPTABLE CAPACITY.

Lockton has defined minimum standards in the selection of insurance companies. While these act as a baseline in the selection process, Lockton collaborates with its clients to define their priorities and customize a selection criteria on that basis.

Lockton Companies' Market Security Committee consists of top executives who meet regularly to review the financial and operational performance of domestic and global insurers and reinsurers we use to place coverage. Lockton will only recommend carriers that meet or exceed our minimum financial standards which require at least an A.M. Best financial strength rating of A (Excellent) and an A.M. Best financial size rating of VII (50 million to 100 million in policyholder surplus).

Lockton utilizes A.M. Best and S&P ratings reports, NAIC Statutory Filings (Yellow Books), SEC Filings and equity analyst reports in its evaluation of carriers in addition to financial databases such as Bloomberg, SNL, and S&P Capital IQ. Also, our executive staff maintains close relations with the executive level of most major insurance markets which provide additional insight to issues impacting financial stability not published in publicly available information.

In the event a carrier's financial strength is downgraded below Lockton's minimum financial standards, Lockton's Market Security Committee will notify our Associates within 24 hours so they can promptly inform our clients of the potential risk posed by the carriers. For example, AmTrust was recently downgraded by A.M. Best from A to A-. Within 24 hours, account teams with active policies were notified and clients contacted with an option to replace coverage mid-policy term.

12

DISCUSS THE TIME REQUIRED TO MARKET COVERAGE AND YOUR VIEW OF ADAMS COUNTY'S ROLE IN THE PROCESS.

Marketing can be accomplished in under 2 months (RFP design, solicitation and evaluation of bids, final selection) but we recommend 3-4 months to allow a thoughtful vetting and careful adherence to purchasing criteria. More broadly, the marketing of coverage should be considered as part of the broader renewal process. That process is described below as is Adams County's role in the process.

Renewal process

Lockton's renewal and negotiation process begins well in advance of the renewal date, normally at least 150–180 days prior to the renewal date for an organization the size of Adams County. We begin the annual renewal process in conjunction with the first quarter and strategic planning meetings. We do not view the renewal as a stand-alone event, but rather as just one element that is integrated with a much more comprehensive planning process.

The first steps of the renewal process begin with preliminary plan cost and renewal projections, plan design modeling, evaluation of carrier satisfaction, evaluation of emerging trends, and client objectives. We spend significant time during the year exchanging information to ensure we all have the same expectations.

Adams County's largest spend is on the medical/Rx plan, where roughly 80 percent of the total plan costs are claims. We will work with you on broader cost-containment and health risk management strategies to manage this, including a full analysis of alternative funding strategies. Through various marketing efforts, benchmarking and market leverage, Lockton will help negotiate the most favorable and competitive rates.

Part of the process also includes underwriting Adams County plan for the upcoming renewal on a regular basis. This helps eliminate any surprises that may occur due to unfavorable experience. Lockton's actuarial and financial analytics team will help determine those future costs many months before budget time.

Preparation

- Pre-underwrite the account to determine pricing targets.
- Share the pricing targets with you to determine budget priorities.
- Discuss your satisfaction with the incumbent carriers and address the cost and considerations to move to another carrier.
- Understand carrier pricing cycles, internal underwriting objectives and hidden costs opportunities.
- Identify ways for the carrier to achieve the cost targets we have established.

Because we require delivery of our renewals 90-150 days prior to the anniversary date, we can conduct this process in a reasonable time frame and avoid last-minute carrier changes. Lockton has established significant long-term relationships in the insurance marketplace. We leverage these relationships during our renewal negotiations and marketing processes to secure competitive pricing arrangements and to promote continuity and stability of coverage for our clients. In order to provide the strongest leverage in negotiations, Lockton is committed to securing these relationships at the national, regional and local levels.

Roles in the Marketing Process

Task	Responsible Party
Gather background and current client information; plan documents, budget, plan design, costs (administration, rates, fees), rate structure, cost sharing philosophy, service experience, etc.	Adams County / Lockton
Conduct health and welfare program assessment to establish short- and long-term objectives	Adams County / Lockton
Compare to benchmarking, industry standards and trends	Lockton
Market landscape overview	Lockton
Establish and outline process and proposal dates	Adams County / Lockton
Recommend plan focus areas and tactics; benefit design changes, cost containment strategies, cost sharing approaches and funding	Lockton
Coordinate renewal activities with all carriers/administrators	Lockton
Identify markets	Lockton
Provide census file	Adams County
Draft RFP to include objectives, benefit attributes (plan types, networks, deductibles, etc.), census, claims, funding, cost factors, network access, plan changes or additional benefit offerings and commissions	Lockton
Review of final RFP	Adams County / Lockton
Release RFP direct or through purchasing	Adams County / Lockton

Obtain current vendor renewals	Lockton
Receipt of marketing proposals	Adams County
Evaluations of marketing proposals based on rating of benefits and cost; financial results, plan design offering with plan variances noted, network analysis, normative data, financial rating and performance guarantees	Lockton
Present marketing results with recommended plan of action	Lockton
Final negotiations and offerings	Lockton
Finalist presentations	Adams County / Lockton
Final evaluations, discussion and decisions; employee impact, benefits, cost, value and service	Adams County / Lockton
Assist client in final decisions and send confirmation to client confirming final marketing decisions	Adams County / Lockton
Send communication to winning carrier if change is made	Lockton
Coordinate any carrier and/or plan changes (negotiations) with the client and carrier	Lockton
Send cancellation/termination letter to inforce carrier	Lockton
Contact carriers who were not chosen	Lockton
Develop an implementation calendar between Adams County, carrier and Lockton	Adams County / Carrier / Lockton
Implementation; eligibility defined, plan confirmation, structure set-up, funding/ banking, file feed specs	Adams County / Carrier / Lockton
Create, review and provide OE meeting materials	Adams County / Lockton
Conduct OE meetings	Adams County / Carrier / Lockton
Confirmation of file feed receipt and acceptance	Adams County / Carrier / Lockton
Confirmation ID cards released	Lockton
Follow-up on issuance of application, contract, SPDs, certificates and all other administrative materials	Lockton
Review all administrative materials for accuracy; SPDs, group contract(s), applications, ASAs, performance guarantees, policies and riders	Lockton

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PLEASE INCLUDE A LIST OF ANY BENEFITS SERVICES THAT MAY BE AVAILABLE TO THE COUNTY AND INCLUDE THE COST OF THOSE SERVICES INCLUDING ONLINE BENEFITS SERVICES AND DEPENDENT AUDITS. PLEASE PROVIDE SAMPLES OF THESE SERVICES.

Eligibility Audit

Few strategies offer employers and plan sponsors more opportunity for the immediate and substantial impact on healthcare costs than the dependent eligibility audit. Because Lockton is vendor agnostic and does not provide a one-solution approach, we assist our clients in finding the right fit by conducting a request for proposal, deciding on scope of work and recommendations for the appropriate vendor to administer the audit. Our involvement continues through the implementation, audit, and post audit reporting. Lockton has also assisted clients with ongoing dependent audits, working spouse audits, and claim audits. The fee for these audit services would vary based on scope.

Pharmacy Audit

We are able to provide pharmacy audit services that review 100 percent of all pharmacy claims to true-up results with vendors contract guarantees e.g., assess actual rebates and actual discounts against guarantees, identify administrative/processing errors and rectify them, and evaluate opportunities to improve the plan performance through detailed data analysis. This can also include an implementation audit of a new PBM and pharmacy eligibility audit. Audit services are provided at an extra fee, often applied to PBM services offset by savings achieved through improved pharmacy performance.

Simulated DOL Audit and Compliance Check-up

Employer-sponsored medical and cafeteria plans are complex systems, operating under a steady diet of rules, requirements and procedures. Miss one, and the risks can be substantial.

We're excited to introduce a new Compliance Services initiative, a simulated Department of Labor DOL welfare benefit plan investigation. This is an ERISA compliance review performed by two former US Department of Labor (DOL) investigators and powered by Lockton Benefit Group Compliance Services. The legal team will examine, analyze, and assess the same ERISA compliance requirements that a DOL investigator would review during an actual DOL health plan investigation.

Alternatively, we can perform a compliance check-up where we review your plan documents, plan summaries, notices, mandatory federal disclosures and reports (including a sampling of your ACA filings), and evaluate your plans' governance policies and procedures. You will receive a detailed "diagnostic scorecard" showing your plans' compliance health, and specific recommendations for addressing gaps in compliance.

Both services are available without charge.

FMLA/LOA Process

We have internal subject matter experts in FMLA-LOA integration and can help you establish a process and vet vendors who can provide integrated products and resources. We also offer complimentary access to ThinkHR as a resource that offers related documents and consulting for leave issues (and broader HR issues). ThinkHR's services include:

- Live HR experts available 7 AM - 6 PM Mountain time
- Online resource center with hundreds of forms, tools, and commentary on best practices
- Ability to curate, administer, track, and report on online employee training programs
- Mobile app

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PROVIDE DETAILS OF HOW YOUR FIRM WILL BE COMPENSATED. LIST ANY SERVICES THAT YOU CHARGE FOR SEPARATELY.

- Third party services (e.g., auditing)
- Non-benefits related support (e.g., HR consulting)

We do not have a preferred compensation structure and we routinely work through commissions, a flat fee, or a combination of the two. It is Lockton's goal to reach a clear and fair agreement with Adams County regarding the way Lockton will be compensated for our services.

With our public sector clients, it is most common for Lockton to be paid via an annual fee for the medical/Rx plan management. Often that encompasses services on the ancillary lines of coverage. Frequently, we will offer a discount if that fee is paid in one lump sum. We can accept a lower annual fee if commissions on ancillary products are allowed.

Services that may require an additional fee include:

- Rx auditing. Most often, we require that the PBM pay Lockton a PEPM fee that pays for the annual audit.
- Fully customized communications campaigns (all content custom-designed). Please note that there is no change if Lockton's communication materials are used. These will be modified for your benefit plan specifics without charge
- Printing of material and translation services
- Third party vendors (e.g., third party decision support)
- Third party auditing (eligibility, medical plan)
- HRIS/technology consulting
- Human resource consulting
- Call center
- Services outside of health and welfare consulting/brokerage

15

PLEASE PROVIDE TWO REFERENCES OF ACCOUNTS THAT HAVE TERMINATED SERVICES WITHIN THE PAST TWO YEARS. PLEASE DESCRIBE THE REASON(S) FOR TERMINATION.

GeoDynamics
Tracy Smith, SPHR, Director of Administration and Human Resources
817.341.5367
tracy.smith@perf.com

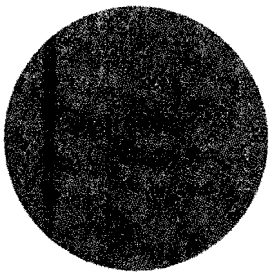
Reason for termination: Acquisition by another firm

Infinity Group (Wood Group)
Mark Monical, President
979.230.2619
mark.monical@woodgroup.com

Reason for termination: Acquisition by another firm

16

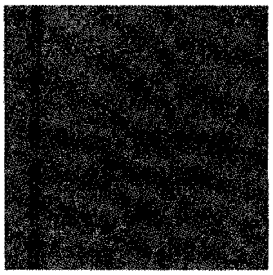
PLEASE PROVIDE FOUR CURRENT ACCOUNT REFERENCES.



Tina Wise, Human Resources Manager
303.271.8405
twise@jeffco.us

Colorado Community College System

Debbee Pylican, Human Resources - Benefits Manager
303.595.1589
Debbee.Pylican@cccs.edu



Heather Britton, Manager of Benefits & Wellness, Office of Human Recourses
720.913.5699
Heather.britton@denvergov.org

Larimer County

Jennifer Fairman, Benefits Manager
jfairman@larimer.org
970.498.5983

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PLEASE LIST ANY CURRENT CLIENTS THAT ARE GOVERNMENTAL ENTITIES.

List of public entities:

- Arapahoe County
- Belle Creek Charter School
- Brighton Fire Rescue District
- Bromley East Charter School
- City and County of Denver
- City of Aspen
- City of Beatrice
- City of Las Vegas
- City of Reno
- Clark County (Nevada) School District
- Colorado Community College System
- Colorado Education Association
- Community Leadership Academy
- Denver Department of Safety
- Denver Employees Retirement Plan
- Denver Fire Fighters Local 858
- Denver Public Schools
- Douglas County School District
- Eagle Ridge Academy
- Jefferson County
- Jefferson County Public Schools
- Larimer County
- Pitkin County Pocatello/Chubbuck School District #25
- South Metro Fire Rescue
- State of Colorado
- Westminster Public Schools

18

DISCUSS ANY IMPENDING CHANGES IN YOUR ORGANIZATION THAT COULD IMPACT THE DELIVERY OF YOUR SERVICES.

There are no current or impending changes which would impact our delivery of services to Adams County.

The only material changes in our firm structure over the years have been development of specialty practices, each of which either drove or were a response to client needs and market conditions. Similar developments will continue within our firm to make sure we have best in class resources available for our teams and clients. Lockton is a stable, financially secure organization that will continue to evolve to meet our clients' needs.

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DESCRIBE THE FORM OF PROFESSIONAL LIABILITY OR ERRORS AND OMISSIONS INSURANCE CARRIED BY YOUR COMPANY AND THE AMOUNT OF COVERAGE.

Lockton maintains adequate errors and omissions General Liability, Workers' Compensation, and Professional Liability coverage and can attest to meeting the minimum limits specified in the contract. We would be pleased to share proof of insurance should Lockton be fortunate enough to be awarded your business.

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DESCRIBE IN DETAIL YOUR SERVICE PHILOSOPHY, AND THE NUMBER OF STAFF MEMBERS AVAILABLE TO SUPPORT YOUR CLIENTS.

Service Philosophy

Lockton's success flows from its commitment "to provide the most uncommon results and service in a most common business." Lockton's philosophy is to recruit and retain highly talented, motivated people and then arm them with the tools and resources to make your organization better.

Lockton structures its account team and all decision making to be focused solely on you. There is no corporate playbook or hierarchy. All decision making is done through the team described in this RFP. That team has the ability to access any of Lockton's resources necessary to support Adams County's current and future needs.

Our philosophy is best stated in our motto: "WE LIVE SERVICE!®." Our firm has developed its core values and philosophies by valuing client partnerships, fostering innovation, maintaining a sense of urgency, and building expertise to meet the changing demands of clients.

With all our client work, our goal is to be "consultative." By this, we mean that we do not attempt to sell our clients on a particular approach, insurer, or product. Rather, we start by understanding what the client's needs and priorities are and then offer options for the client to consider that match the goals they have outlined.

As support, we offer the following proof points:

- Lockton won the JD Powers award for customer service for the second year (#1 amongst brokers) and has also won Greenwich Associates award for service excellence.
- Our focus on clients has allowed us to lead the industry in client loyalty: 96 percent annually. Our clients enthusiastically refer us to new opportunities, fueling our success. We consider that to be the highest compliment we can receive.

We strongly feel that the primary enabler to our service is our people. We create an incredible place to work and grow. Just like our client retention, our associate retention is 96 percent. We have also won "Best Places to Work in Insurance" for 10 consecutive years.

Our benefits team has 115 team members locally and over 1,000 across the country. The team members assigned to Adams County are listed in a prior response. We intentionally create large teams to allow redundancy in support and a high degree of specialization.

TEN YEARS 2009-2018

Source: J.D. Power 2017 Large Commercial Insurance Study℠

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LIST WAYS THAT YOUR FIRM CAN ASSIST WITH THE MANAGEMENT OF INSURANCE, INCLUDING PREPARATION OF CLAIMS ACTIVITY REPORTS FROM CARRIERS; EXECUTIVE SUMMARY REPORTS; UNDERWRITING ANALYSIS FOR ANNUAL RENEWALS; ANNUAL FINANCIAL PROJECTIONS FOR BUDGETING PURPOSES ANALYSIS, ETC.

These are just a subset of ways in which Lockton can assist Adams County with the management of insurance:

- Dashboards for the benefits and wellness programs
- Lockton's Colorado employee benefits survey: results and interpretation
- Monthly financial data/reporting
- Year-end Financial Review
- Open enrollment election outcome review
- Plan value review
- Pre-renewal analysis and projection
- Annual budget/renewal reports for each line of coverage
- Interactive contribution and benefits modeler (ICBM)
- Infolock data warehousing
- Pharmacy: contract review, clinical programs, data analysis, negotiation, pricing reconciliation
- Budget calculation
- COBRA rate certification
- Carrier utilization reports review, analysis and recommendations
- Strategy sessions
- IDEAL stakeholder alignment process
- GPS Group Plan Strategy multiyear interactive planning
- Vendor management and evaluation
- Dependent eligibility verification support
- Stop loss: modeling, marketing negotiation, contract acceptance, clinical review
- Self-funded feasibility
- Evaluate funding alternatives
- Network evaluations
- Eligibility management: definitions, waiting period, carve-outs, surcharges
- Benchmarking
- Contribution modeling
- Compliance review; current, integration of health reform, state and federal regulations, organizational operations
- Compliance audits
- Carrier leverage and negotiation
- Carrier underwriting dissection
- Marketing: RFP development, market plans, analyze results, provide recommendations, negotiate performance standards, etc.
- Population risk stratification
- Data segmentation
- Reserving analysis and projection
- Network discount analysis
- Trend analysis
- Stop loss specialty practice

- Large claim monitoring and clinical review
- Wellness; readiness assessment, population profile assessment, plan evaluation, reporting and measurement
- Employee engagement; enrollment planning, meetings, materials, webinars, recorded sessions, call center
- Market overview; trends, products, best practices
- Coordinate renewal activities
- Dedicated service team
- Understand and vet market innovations
- Performance guarantees
- National resources and expertise

Each of these areas offers considerable depth. For the sake of brevity, we have tried to limit our response. However, as one example, Lockton's Stop Loss Specialty Practice performs Monte Carlo Simulations to ensure our clients are purchasing policies with adequate stop loss levels based on cost versus risk. In addition, our stop loss consultants have negotiated preferred contractual terms with the leading stop loss carriers in the country to ensure our clients are protected from catastrophic claims. Lockton's Stop Loss Practice is the largest wholesale stop loss practice in the U.S., with 30 associates placing over $500 million annually in premium. Most brokers do not have MDs, RNs, and Coding specialists on staff reviewing high cost claims. This proactive claim monitoring results in claims filing and clinical strategies netting over $50 million in verified claims reductions for our clients, with stop loss increases that are 7% lower than market average. Our full-service approach to stop loss, and complex claims "watchdog," will help Adams County maximize savings and minimize risk.

DESCRIBE THE PROCESS YOUR FIRM USES FOR CARRIER RENWALS AND NEGOTIATIONS.

Lockton's annual renewal marketing philosophy aligns with our dedication to be a proactive, strategic, collaborative and professional business partner for our clients. Well in advance of Adams County's planned renewal, your advisory team meets with you to review claim and plan performance, provide a forecast of future cost, discuss renewal expectations and determine the viability of marketing your program based on several factors such as our in-depth knowledge of your current plan, your long-term program objectives, the aggressiveness of the general insurance marketplace and the attractiveness of alternative market solutions.

We understand how disruptive and difficult a change in carrier/vendor can be for both our clients and for their employees. Our primary objective is to facilitate long-term relationships with the insurance markets for our clients. Lockton will proactively work with Adams County's HR team to assist in the development of the benefits RFP and establish competitive alternatives. After the RFP has been released, Lockton will provide technical and financial analysis, as well as recommendations.

As the largest independent, privately-owned global insurance advisory firm, Lockton possesses extensive vendor relationships and clout. We have appointed our executives to serve on national consulting counsels/brokerage forums. This allows us to negotiate from a position of strength with our vendors that clients simply cannot do on their own. In addition, we have requested the most senior underwriters of insurance vendors who can price our business aggressively with lower margins than our competitors can negotiate.

Lockton's renewal and negotiation process begins well in advance of the renewal date, typically at least 180 days prior to the renewal date for an organization like Adams County. We do not view the renewal as a stand-alone event but rather as just one element that is integrated with a much more comprehensive planning process. Lockton begins the annual renewal process in conjunction with the annual strategic planning meeting, with preliminary plan projections, employee contribution and plan design modeling (all based on client objectives and supporting benchmarking data).

RFP Process with Carriers and Vendors

Lockton's teams have the experience, expertise, resources and tools to negotiate the most competitive offerings available for our clients. Utilizing our local and national client relationships, Lockton can maintain extensive cost and service(s) market data for benchmarking. Our Associates also have access to internal tools and resources that allow them to analyze proposals to authenticate provider access and discount representations.

We take on as much of this process as possible, up to the selection of finalists, and are flexible with respect to each client's desire to participate in all steps of the renewal/marketing process. We will adhere to the following RFP process to support Adams County:

- Develop RFP objectives that are specific to Adams County's benefit program and service needs.
- Request all necessary data from insurance companies, third-party vendors and/or Adams County to compile data for renewal negotiations or preparation of bid specifications.
- Develop renewal requests and bid specifications for Adams County.
- Review final bid specifications before releasing to marketplace.
- Answer all RFP-related questions posed by selected vendors.
- Prepare a report outlining the results of the marketing project.
- Negotiate final competitive rates and contractual terms with vendors.
- Prepare and deliver final negotiated financials and assist in the selection of finalists.
- Conduct finalist presentations and/or site visits to claim offices to determine whether a change in vendors is appropriate for Adams County.

Contract Negotiation and Guarantees

It is Lockton's standard that vendors/carriers agree to financially meaningful performance guarantees as a qualification for consideration and selection. We require vendors/carriers to provide guarantees based on their performance in serving our unique client, rather than on metrics based on their "book-of-business."

Key areas we require performance guarantees for include:

- Implementation
- Customer service
- Administration/claims processing
- Account management
- Provider network discounts

We require vendors/carriers to provide sample performance guarantee reports during the RFP phase and to outline their methodologies for measuring the results. Vendors provide performance reports to Lockton as well as to our clients' HR departments for each category on an annual or quarterly basis, based on client preference and the type of performance measure. In addition, Lockton validates the accuracy of the vendor/carrier's reported result with regards to financial performance; network discounts.

INDICATE HOW YOU KEEP CLIENTS INFORMED OF REGULATORY AND LEGISLATIVE CHANGES THAT AFFECT INSURANCE PLANS.

Lockton maintains a Compliance Services Practice which is comprised of attorneys, paralegals, and other professionals each with decades of employee benefits experience.

Our compliance attorneys and lobbyists monitor the daily activities of Congress, the Department of Labor, the Internal Revenue Service, HHS, CMS, and other regulatory agencies. In addition, we use industry associations and third party services to monitor legislative and regulatory developments at state and local levels.

As your benefit partner, Lockton believes that the regular and consistent dissemination of regulatory, technical, and market updates is a critical step in promoting good communication and improving the quality of the oversight of your various benefit plans. Developments are communicated to Lockton offices and clients through the Internet in the form of white papers, bulletins, newsletters, articles, and e-mails. We have numerous publications that provide clients with ad-hoc and periodic updates. Lockton's Compliance Services supplies clients and the account teams who serve them with a broad range of compliance-related support for employee benefit issues arising under ERISA, HIPAA, COBRA, the Internal Revenue Code, and other select federal and state statutes and regulations.

Lockton's attorneys and other professionals offer specific recommendations to Adams County by way of:

- HEALTH REFORM UPDATES: Comprehensive coverage presented in a variety of electronic formats that provides information, advice, and assistance with analysis and implementation of health reform legislation requirements. We also review the implications of health care reform specific to your organization, both from a compliance viewpoint and in terms of financial impact. The results are communicated through formal presentations during our regular client meetings. Information that can then be communicated to employees is also prepared.
- WEBEX PRESENTATIONS: Online programs presented by our top experts on topics such as HIPAA privacy training, wellness programs, domestic partner benefits, and health reform, among others.
- COMPLIANCE ALERTS AND E-BLASTS: Timely legislative alerts by Lockton experts addressing compliance issues and changing regulations.
- COMPLIANCE NEWSLETTERS: Online newsletters that go into greater detail about compliance-related developments and information.
- EMPLOYER GUIDES: Employer handbooks that cover such diverse topics as wellness, benefits for same-sex spouses and domestic partners, and Medicare benefits.
- CALENDARS AND NOTICE MATRICES: Tools to pinpoint the many and varied notices and reporting obligations your plan must meet, including deadlines, summary of the notice or report, who gets it, and how they receive it.
- ANNUAL NOTICE PACKETS: Lockton customizes employee notice packets for each client; these packets contain common health plan-related notices that are required to be provided to employees.

Lockton conducts periodic client seminars and webinars at no cost to clients to highlight emerging trends, areas of concern, and areas of opportunity.

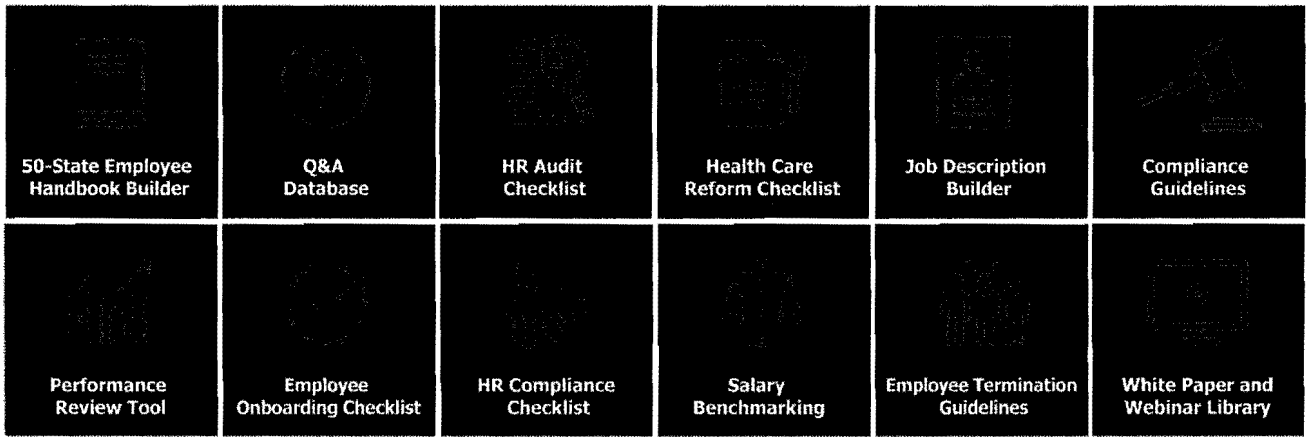
Topics from past webcasts and seminars include:

- Federal health care reform
- Federal legislative and regulatory changes
- The structure and operation of wellness plans, as provided for under HIPAA and ERISA
- Implications of continued health care cost trends
- Leading health care cost drivers and potential strategies to address each
- HIPAA privacy concerns and compliance requirements for self-funded health plans
- Domestic partners, civil unions and same-sex marriages
- Insurance exchanges
- Pharmacy analytics and purchasing
- Various retirement planning innovations, including the use of non-qualified retirement plans
- Retirement market updates and trends

We also provide white papers and alerts on similar topics. These are produced with greater frequency to provide clients with timely information.

Beyond employee benefits issues, we also offer complimentary access to ThinkHR for legislative and regulatory developments in the broader HR space. ThinkHR's services include:

- Live HR experts available 7 AM – 6 PM Mountain time
- Online resource center with hundreds of forms, tools, and commentary on best practices
- Ability to curate, administer, track, and report on online employee training programs
- Mobile app



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DESCRIBE ANY OTHER FACETS OF YOUR ORGANIZATION AND YOUR FIRM'S EXPERIENCE THAT ARE RELEVANT TO THIS PROPOSAL THAT HAVE NOT BEEN PREVIOUSLY DESCRIBED AND THAT YOU FEEL WARRANT CONSIDERATION.

1. Adams County has a unique benefit offering because the County offers both Kaiser Permanente and a self-funded plan through UnitedHealthcare. This dynamic brings additional considerations in the following areas. For each of the following, Lockton has advised similar clients that have the same dual structure.
   - **Eligibility:** Recently, we have worked with large employers in the Denver metro area that sought advice regarding the questions of, if and how to expand the KP offering and how to structure the contribution amounts in relation to the self-funded plan. The eligibility expansion drew upon risk analysis of the population (for which we relied on our Infolock data warehouse), who is enrolling in which plans, which plans have rate sustainability and which do not, etc.

- **Contribution:** Whether or not eligibility expansion considerations are being made, the contribution structure of each plan must be carefully modeled by plan and by tier. We have been able to work with both the self-funded plan and KP to balance the risk profile so to not overweight the lower risk in the KP plan.
- **Benchmarking:** Lockton uses its proprietary benchmarking to place actuarial values on each plan in force. As we help clients consider plans changes, adding plans or elimination plans, this benchmarking of actuarial values juxtaposed against the contribution amounts becomes critical to decision making.

2. Lockton understands that the Colorado labor market continues to tighten. Lockton's public sector and private sector clients all struggle with recruitment and retention of the right employees. Lockton is honored to have earned the "Best Place to Work" for ten years in a row (2009-2018) and can offer insights into what steps we have taken to achieve these great results. Some measures are benefits related and others are not. We would view this opportunity to partner as an expansion of our core responsibilities of being your benefits consultant and broker.
3. While not directly addressed in this proposal, Lockton does offer a number of other benefits and compensation related services. These areas are each sophisticated in scope and some come with additional compensation requirements although that compensation is often already built into the premium. We would encourage you to reach out with questions regarding any of the areas below to see if we can help.
   - Property and Casualty
   - Retirement (additional remuneration needed)
   - Executive Benefits
   - Key Person Life
   - Communication Insourcing (often paid for from voluntary product commissions)
   - Compensation Consulting (additional remuneration needed)
   - HR Consulting (additional remuneration needed)
   - Total Rewards Consulting (additional remuneration needed)

CONTRACT COMMENTS

5.5 CONTRACTOR'S RESPONSE MUST STATE ITS WILLINGNESS TO ENTER INTO THE FORM AGREEMENT OR CONTRACTOR SHALL IDENTIFY AND INCLUDE ANY PROPOSED REVISIONS THEY HAVE FOR THE FORM AGREEMENT. ANY PROPOSED REVISIONS MADE BY THE CONTRACTOR AFTER THE COUNTY NOTICE OF INTENT TO AWARD THE SOLICITATION MAY BE GROUNDS FOR RESCINDING SAID NOTICE. THE IDENTIFICATION OF WILLINGNESS TO ENTER INTO THE STANDARD AGREEMENT IS FOR GENERAL PURPOSES AT THIS TIME, BUT IS PART OF THE EVALUATION PROCESS AND MUST BE INCLUDED. THERE MAY BE NEGOTIATIONS ON A PROJECT-BY PROJECT BASIS THAT PROVIDE FURTHER CLARIFICATION.

Lockton has reviewed the contract and would appreciate the opportunity to discuss the noted modifications to the standard Agreement.

4. Payment and Fee Structure would like to add additional wording:

4.2 In addition to the compensation set forth above, County acknowledges, consents and agrees that Contractor may also receive other forms of incentive compensation such as contingency payments, bonuses, overrides, prizes/awards and/or supplemental commissions or other commission-like payments from insurance companies, intermediaries (which may be affiliated with Contractor) or other third parties as a result of being Client's insurance broker (collectively, "Additional Compensation"). Addendum B, receipt of which is hereby acknowledged, sets forth a disclosure of actual or estimated commissions and/or Additional Compensation, if any, Contractor may or will receive on account of its services provided to you or on your behalf.

7. Indemnification:

The Contractor agrees to indemnify and hold harmless the County, its officers, agents, and employees for, from, and against any and all claims, suits, expenses, damages, or other liabilities, including reasonable attorney fees and court costs, arising out of damage or injury to persons, entities, or tangible property, caused or sustained by any person(s) as a result of the Contractor's performance or failure to perform pursuant to the terms of this Agreement ~~or as a result of any subcontractor' performance or failure to perform pursuant to the terms of this Agreement~~.

8. Insurance:

8.5 ~~Adams County a "Additional Insured"~~ Additional Provisions: The Contractor's commercial general liability, and comprehensive automobile liability, insurance policies and/or certificates of insurance shall ~~be issued to include Adams County as an "additional insured" and shall~~ include the following provisions:

8.7 Endorsement: Each insurance policy herein required shall be endorsed to state that coverage shall not be ~~suspended, voided, or~~ canceled without ~~thirty (30) days prior written~~ notice ~~by certified mail, return receipt requested, to the County~~ of cancellation in accordance with policy provisions.

8.8 Proof of Insurance: At any time during the term of this Agreement, the County may require the Contractor to provide proof of the insurance coverage ~~or policies~~ required under this Agreement.

10. Warranty: (strike entire section)

Lockton, through its professional brokering services, will not be providing a product that would necessitate a warranty.

11. Termination:

11.1 For Cause: If, through any cause, the Contractor fails to fulfill its obligations under this Agreement in a timely and proper manner, or if the Contractor violates any of the covenants, conditions, or stipulations of this Agreement, the County shall thereupon have the right to ~~immediately~~ terminate this Agreement, after providing Contractor written notice of the breach and provides the Contractor with reasonable time and opportunity to cure the breach. If Contractor cannot cure the breach, county shall have the right to terminate this Agreement upon giving written notice to the Contractor of such termination and specifying the effective date thereof.

11.2 For Convenience: ~~The County~~ Either party may terminate this Agreement at any time by giving written notice as specified herein to the other party, which notice shall be given at least thirty (30) days prior to the effective date of the termination. If this Agreement is terminated by the County, the Contractor will be paid an amount that bears the same ratio to the total compensation as the services actually performed bear to the total services the Contractor was to perform under this Agreement, less payments previously made to the Contractor under this Agreement.

12. Mutual Understandings:

12.2 In addition to this paragraph, please add the following: Contractor and County agree to enter into a mutually agreeable Business Associate Agreement as required by HIPAA, if and when appropriate.

12.3 Remove entire paragraph.

12.4 Record Retention. The Contractor shall maintain records and documentation of the services provided under this Agreement, including fiscal records, and shall retain the records for a period of three (3) years from the date this Agreement is terminated. Said records and documents shall be subject at all reasonable, mutually agreeable times during normal business hours to inspection, review, or audit by authorized Federal, State, or County personnel with prior advance written notice to Contractor.

14. Compliance with C.R.S. § 8-17.5-101. ET. SEQ. As Amended 5/13/08:

14.8 If Contractor violates this Section, of this Agreement, the County may terminate this Agreement for breach of contract. ~~If the Agreement is so terminated, the Contractor shall be liable for actual and consequential damages to the County.~~

APPENDIX

YOUR *employee* BENEFITS

BENEFIT PLANS EFFECTIVE
JANUARY 1–DECEMBER 31, 2019

COMPANY NAME

At Client Name, we care about you. That's why we offer benefits that support your physical, emotional, and financial health.

Understanding your benefits and knowing how to use them is just as important as having access to them. Review this guide to learn about the benefits available to you for the 2019 plan year (January 1, 2019, through December 31, 2019). Then, choose the options that are best for you and your family.

WHAT'S INSIDE

HOW BENEFITS WORK

Who is Eligible 3
Who Pays 3
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Changing Your Benefits 4

HEALTH PLANS

Medical Insurance 5
Dental Insurance 10
Vision Insurance 11

TAX SAVINGS

Budgeting for Your Care 12
Health Savings Account 13
Flexible Spending Accounts 14

FINANCIAL SECURITY

Life and AD&D Insurance 15
Disability Insurance 16
Accident Insurance 17
Critical Illness Insurance 17
401(k) Plan 18

ADDITIONAL INFORMATION

Employee Assistance Program 19
Contact Information 20

WHO IS ELIGIBLE

If you are scheduled to work at least 30 hours per week, you are eligible for benefits on the first day of the month following 30 days of employment.

Many of the plans allow you to cover your eligible dependents, which include:

- Your legal spouse, civil union partner, or domestic partner.
- Your children to age 26, regardless of student, marital, or tax-dependent status (including a stepchild, legally-adopted child, a child placed with you for adoption, or a child for whom you are the legal guardian).
- Your dependent children of any age who are physically or mentally unable to care for themselves.

WHO PAYS

Some benefits are 100% paid by Client Name, while others require that you contribute.

Benefit	You Pay	Client Name Pays
Medical Insurance	X	X
Dental Insurance	X	X
Vision Insurance	X	X
Health Savings Account	X	
Flexible Spending Accounts	X	
Basic Life and AD&D Insurance		X
Supplemental Life and AD&D Insurance	X	
Disability Insurance		X
Accident Insurance	X	
Critical Illness Insurance	X	
Employee Assistance Program		X

WHEN TO ENROLL

You can only sign up for benefits or change your benefits at the following times.

Within 30 days of joining Client Name as a new employee.

COMPLETE THE NEW HIRE PAPERWORK

During the annual benefits open enrollment period.

SEE PAGE 4

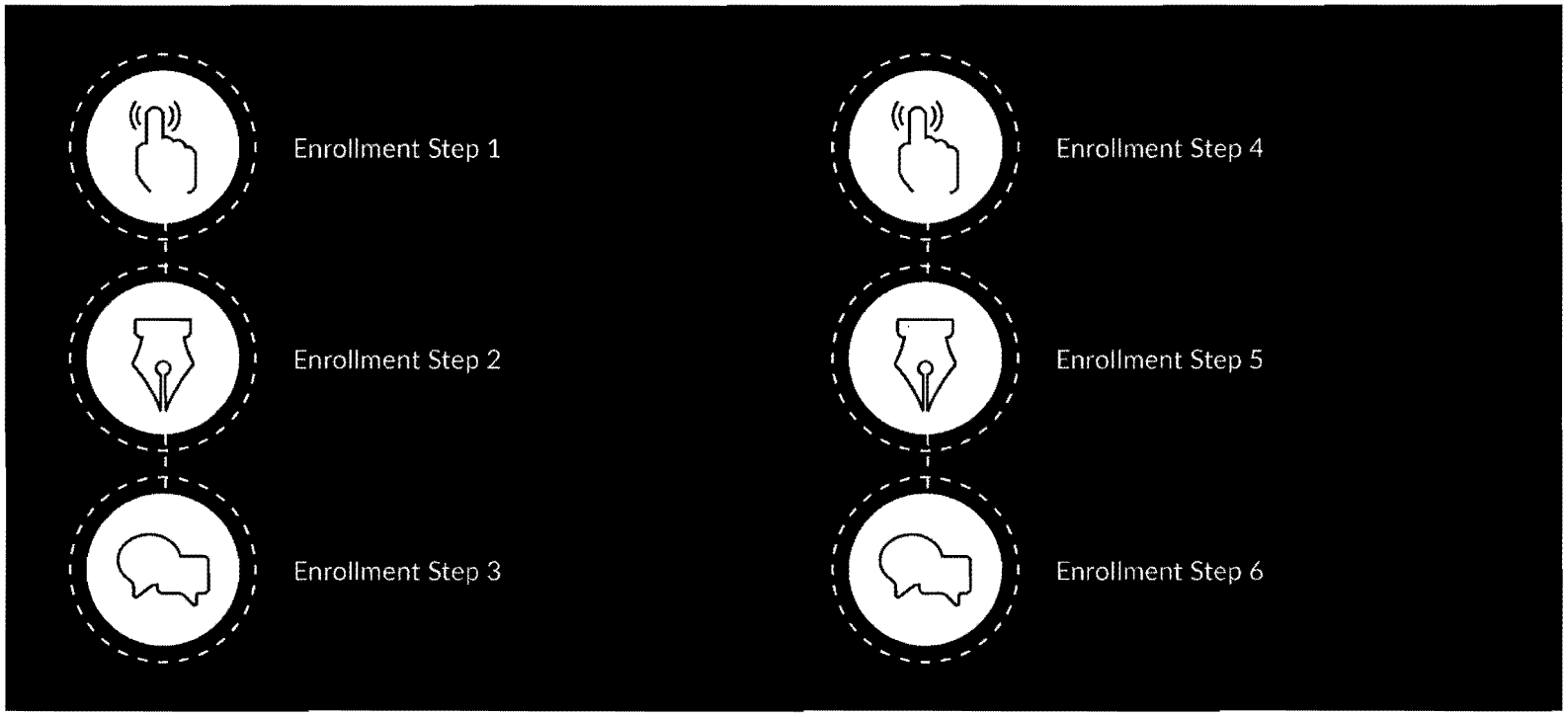
Within 30 days of a qualifying life event.

CONTACT HUMAN RESOURCES

The choices you make at this time will remain in place through December 31, 2019, unless you experience a qualifying life event, as described on page 4. If you do not sign up for benefits during your initial eligibility period, you will not be able to elect coverage until the next open enrollment period.

HOW TO ENROLL

To enroll in benefits, log into www.website.com and follow these steps:



CHANGING YOUR BENEFITS

Due to IRS regulations, once you have made your elections for 2019, you cannot change your benefits until the next annual open enrollment period.

The only exception is if you experience a qualifying life event. Election changes must be consistent with your life event.

Qualifying life events include, but are not limited to:

- Marriage, divorce, or legal separation.
- Birth or adoption of an eligible child.
- Death of your spouse or covered child.
- Change in your spouse's work status that affects his or her benefits.
- Change in your child's eligibility for benefits.
- Qualified Medical Child Support Order.

To request a benefits change, notify Human Resources within 30 days of the qualifying life event. Change requests submitted after 30 days cannot be accepted. You may need to provide proof of the event, such as a marriage license or birth certificate.

MEDICAL INSURANCE

Client Name offers three medical plan options through Carrier Name.

Before you enroll in medical coverage, take some time to fully understand how each plan works. Refer to page 6 for an overview of the plan benefits.

BEFORE YOU CHOOSE A PLAN, CONSIDER THIS

Are you able to budget for your deductible by setting aside pre-tax dollars from your paycheck in a health savings account (HSA)?

Consider the Carrier Name HDHP.

Do you prefer to pay more for medical insurance out of your paycheck, but less when you need care?

Consider the Carrier Name PPO.

What planned medical services do you expect to need in the upcoming year?

Do you or any of your covered family members take any prescription medications on a regular basis?

Consider the Carrier Name PPO or POS.

MEDICAL COSTS

Listed below are the weekly costs for medical insurance. The amount you pay for coverage is deducted from your paycheck on a pre-tax basis.

Coverage Level	HDHP	PPO	POS
Employee Only			
Employee + Spouse			
Employee + Child(ren)			
Employee + Family			

MEDICAL INSURANCE

The table below summarizes the benefits of each medical plan.

The coinsurance amounts listed reflect the amount you pay. Please refer to the official plan documents for additional information on coverage and exclusions.

Summary of Covered Benefits	HDHP		PPO		POS	
	In Network	Out of Network	In Network	Out of Network	In Network	Out of Network
Plan Year Deductible						
Individual/Family	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000
The amount that Client Name contributes to help you pay for out-of-pocket expenses						
Out-of-Pocket Maximum (Includes deductible, copays, and coinsurance)						
Individual/Family	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000	$0,000/$0,000
Preventive Care	Plan pays 100%	20% after ded.	Plan pays 100%	20% after ded.	Plan pays 100%	20% after ded.
Physician Services						
Primary Care Physician	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Specialist	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Telemedicine	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Urgent Care	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Lab/X-Ray						
Diagnostic Lab/X-Ray	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
High-Tech Services (MRI, CT, PET)	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Hospital Services						
Inpatient	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Outpatient	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Emergency Room	20% after ded.		20% after ded.		20% after ded.	
Prescription Drugs						
Generic	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Preferred Brand	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Non-Preferred Brand	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.
Mail Order (Up to a 90-day supply)	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.	20% after ded.

ARE YOU COVERING YOUR SPOUSE AND/OR CHILDREN?

- **HDHP members:** If you elect employee + spouse, employee + child(ren), or family coverage, the individual deductible and out-of-pocket maximum DO NOT apply. The family deductible must be met, either by one individual, or by a combination of family members, before the plan begins to pay. The same rule applies to the out-of-pocket maximum.
- **PPO and POS plan members:** If you elect employee + spouse, employee + child(ren), or family coverage, the individual deductible and out-of-pocket maximum apply to each covered member of the family (capped at family amount).

MEDICAL INSURANCE

HOW THE PLANS WORK

Key Functions	HDHP	PPO	POS
Location availability	All locations.	All locations.	California only.
In- and out-of-network benefits	Yes.	Yes.	Yes.
Pay for care with pre-tax dollars			
Health Savings Account	Yes.	No.	No.
Health Care Flexible Spending Account	No.	Yes.	Yes.
Limited Purpose Health Care Flexible Spending Account	Yes.	No.	No.
Client Name contributes money into an account to help you pay for out-of-pocket expenses	Yes. Client Name contributes money to an HSA to help you pay for covered health care expenses.	No.	No.
Individual deductible applies if you cover your family	No, if you cover your family, the family deductible must be met, either by one individual, or by a combination of family members, before the plan begins to pay. The same rule applies to the out-of-pocket max.	Yes, if you cover your family, all individual amounts will count toward meeting the family deductible and out-of-pocket max, but an individual will not have to pay more than the individual deductible and out-of-pocket max.	No, if you cover your family, all individual amounts will count toward meeting the family deductible and out-of-pocket max, but an individual will not have to pay more than the individual deductible and out-of-pocket max.
You pay			
Copay	No.	Yes.	Yes.
Coinsurance	Yes.	No.	No.

KEY TERMS TO KNOW

A fixed dollar amount that you may pay for certain covered services. Typically, your copay is due up front at the time of service.

The amount that you must pay each year for certain covered health services before the insurance plan will begin to pay.

After you meet your deductible, you may pay coinsurance, which is your share of the costs of a covered service.

Includes copays, deductibles, and coinsurance. Once you meet this amount, the plan will pay 100% of covered services the rest of the year.

MEDICAL INSURANCE

In-network preventive care is free for medical plan members.

The Client Name medical plans pay 100% of the cost of preventive care when received from a network provider. This means you won't have to pay anything out of your pocket.

WHAT IS PREVENTIVE CARE?

The focus of preventive health care is to **PREVEN**T illnesses, disease, and other health problems, and to **DETECT** issues at an early stage when treatment is likely to work best.

WHY IS PREVENTIVE CARE IMPORTANT?

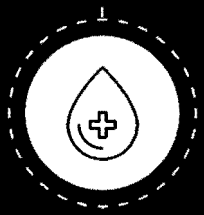
It is important that you have a preventive exam each year—even if you feel healthy and are symptom free—in order to **IDENTIFY FUTURE HEALTH RISKS.**

WHAT'S COVERED?

Covered preventive services **VARY BY AGE AND GENDER.** Talk with your provider to determine which screenings, tests, and vaccines will be covered, when you should get them, and how often.

SAVE MONEY ON YOUR HEALTH CARE

Choose an in-network provider and you'll pay less out of your pocket. Why? Because in-network doctors and facilities contract with the insurance company and agree to charge a lower price for services.



When your doctor orders a test, confirm that an in-network lab will be used. If your tests are sent to an out-of-network lab, you may incur **additional** out-of-pocket expenses.

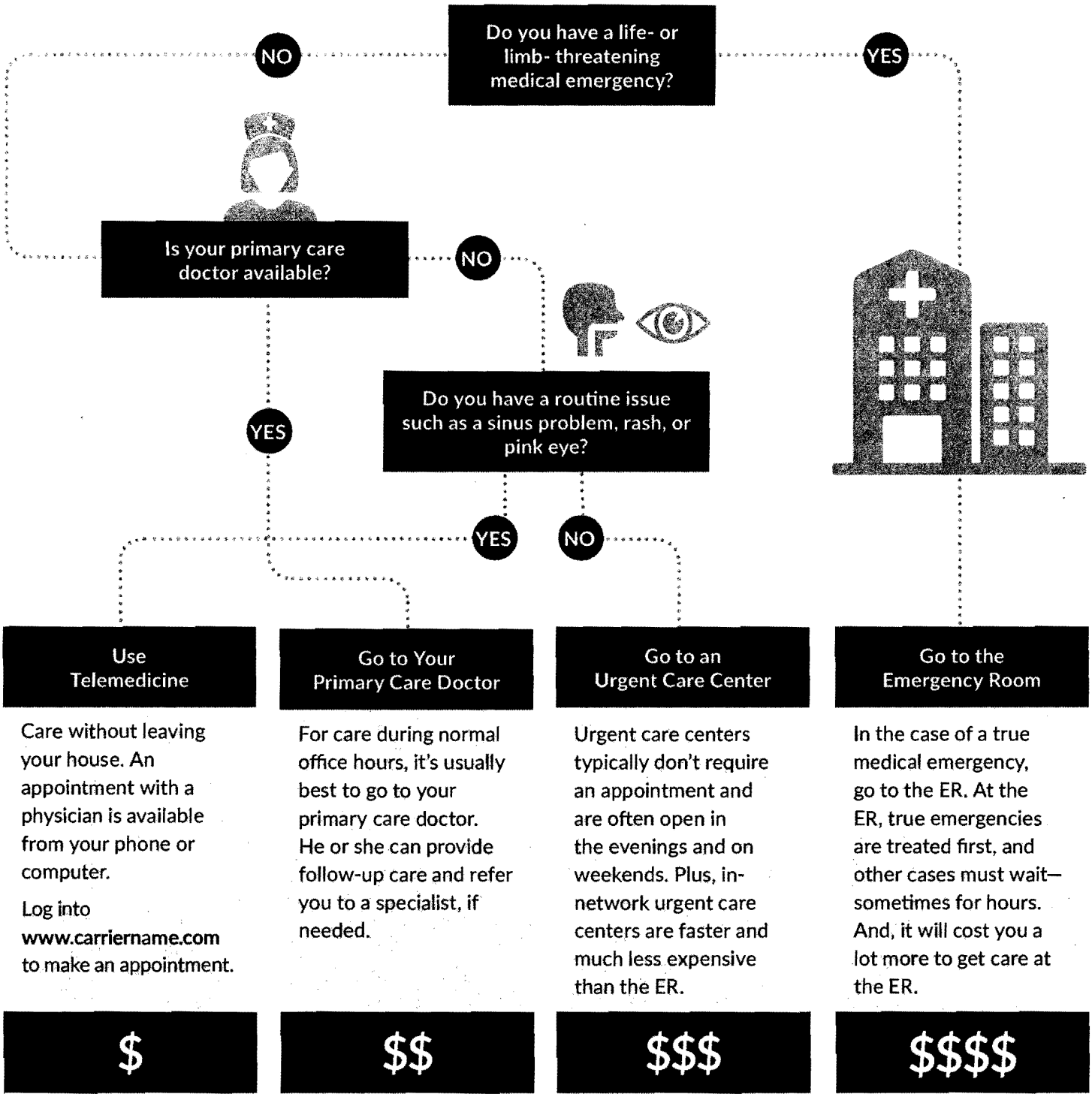
Be aware that you may be billed if you bring up a non-preventive-related health concern during your exam. After your appointment, review your explanation of benefits and provider bill to confirm you were billed correctly.

*Some services are generally not considered preventive if you get them as part of a visit to diagnose, monitor, or treat an illness or injury. Please be aware that you will be responsible for the cost of any non-preventive care services you receive at your preventive care exam based on your plan design. Learn more about preventive care at **www.carriername.com**.

MEDICAL INSURANCE

Know where to go for your health care.

Where you go for medical services can make a big difference in how much you pay and how long you wait to see a health care provider. Use the chart below to help you choose where to go for care.



DENTAL INSURANCE

Client Name offers two dental insurance plan options through Carrier Name.

The Carrier Name PPO plan offers in- and out-of-network benefits, providing you the freedom to choose any provider. However, you will pay less out of your pocket when you choose a Carrier Name provider.

The Carrier Name DHMO plan provides in-network benefits only.

Locate a Carrier Name network provider at www.carriername.com.

The table below summarizes the key features of the dental plans. The coinsurance amounts listed reflect the amount you pay. Please refer to the official plan documents for additional information on coverage and exclusions.

Summary of Covered Benefits	PPO Dental Plan In Network	PPO Dental Plan Out of Network	DHMO Dental Plan In Network Only
Plan Year Deductible			
Individual/Family	$50/$150	$50/$150	None/None
Plan Year Benefit Maximum	$1,000		You pay a copay for each covered procedure. Refer to the official plan documents for more information.
Preventive Care (Oral exams, cleanings, x-rays)	Plan pays 100%	20% after ded.	
Basic Services (Periodontal services, endodontic services, oral surgery, fillings)	20% after ded.	20% after ded.	
Major Services (Bridges, crowns [inlays/onlays], dentures [full/partial])	50% after ded.	50% after ded.	
Orthodontia Services	50%		
Orthodontia Lifetime Maximum	$1,000		

Regular dental visits tell your dentist a lot about your overall health, including whether or not you may be developing a disease like diabetes, heart disease, kidney disease, and some forms of cancer.

DENTAL COSTS

Listed below are the weekly costs for dental insurance. The amount you pay for coverage is deducted from your paycheck on a pre-tax basis.

Coverage Level	PPO Dental Plan	DHMO Dental Plan
Employee Only		
Employee + Spouse		
Employee + Child(ren)		
Employee + Family		

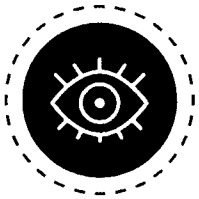
VISION INSURANCE

Client Name offers a vision insurance plan through Carrier Name.

You have the freedom to choose any vision provider. However, you will maximize the plan benefits when you choose a network provider. Locate a Carrier Name network provider at www.carriername.com.

The table below summarizes the key features of the vision plan. Please refer to the official plan documents for additional information on coverage and exclusions.

Summary of Covered Benefits	Vision Plan	
	In-Network	Out-of-Network
Eye Exam (Every 12 months)	$10 copay	$35 allowance
Standard Plastic Lenses (Every 12 months)		
Single/Bifocal/Trifocal	$10 copay	$25/$40/$55 allowance
Frames (Every 24 months)	$100 allowance + 20% off balance	$45 allowance
Contact Lenses (Every 12 months in lieu of standard plastic lenses)		
Elective	$80 allowance + 15% off balance	$64 allowance
Medically Necessary	Plan pays 100%	$200 allowance



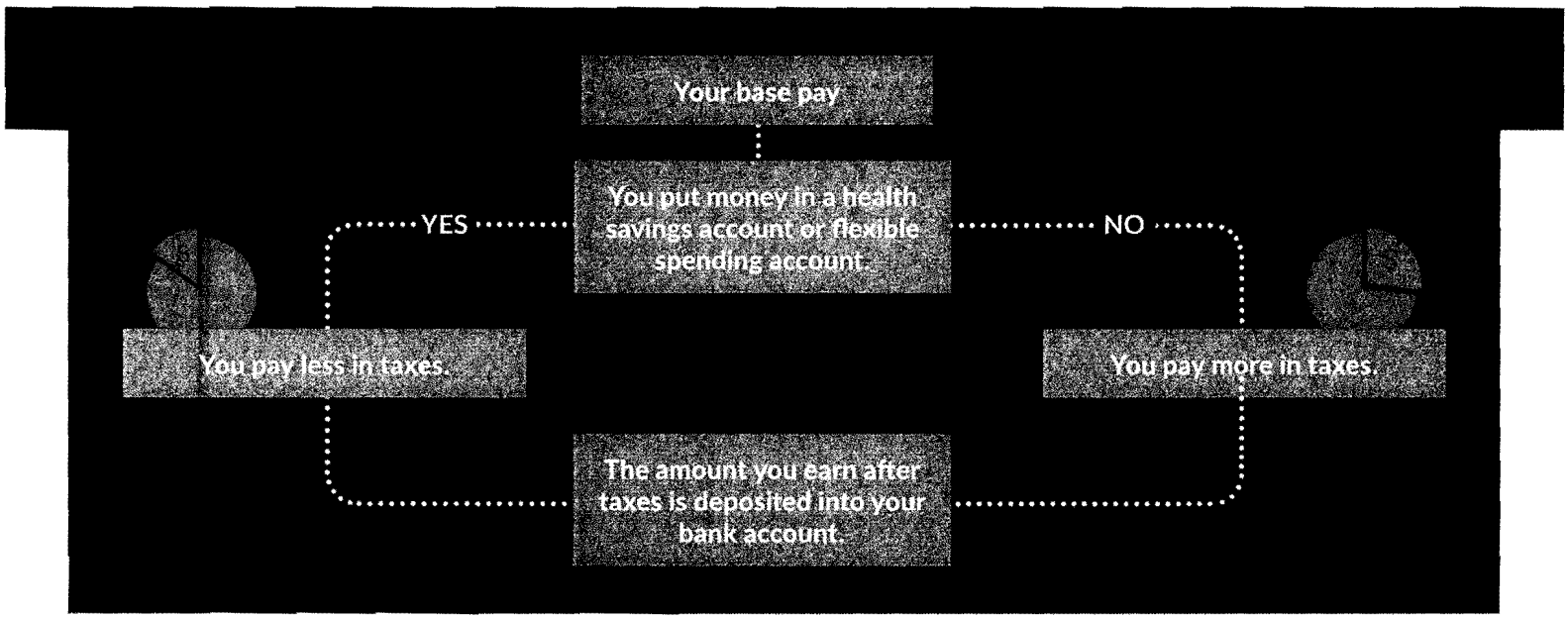
Even if you have perfect vision, an annual eye exam is important. Just by examining your eyes, a doctor can find warning signs of high blood pressure, diabetes, and more than 200 other major diseases.

VISION COSTS

Listed below are the weekly costs for vision insurance. The amount you pay for coverage is deducted from your paycheck on a pre-tax basis.

Coverage Level	Vision Plan
Employee Only	
Employee + Spouse	
Employee + Child(ren)	
Employee + Family	

BUDGETING FOR YOUR CARE



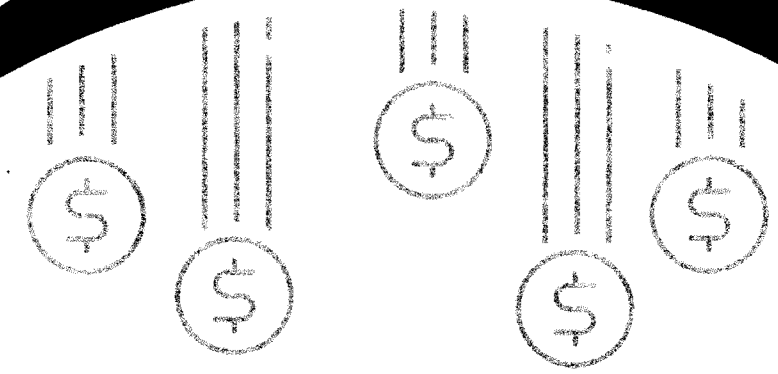
You can save about 20%* on your care by putting money in a health savings account or flexible spending account. That is because you don't pay taxes on your contributions.

COMPARE YOUR OPTIONS

	Health Savings Account More Information on Page 13	Health Care Flexible Spending Account More Information on Page 14	Dependent Care Flexible Spending Account More Information on Page 14
Eligible plans			
Eligible expenses			
Client Name contribution available in full on month day, year			
Your election is available on month day, year			
You can change your election throughout the year			
You can take income tax deductions for expenses you pay with your account			
Funds roll over from one year to the next			

*Percentage varies based on your tax bracket.

HEALTH SAVINGS ACCOUNT



If you enroll in the Carrier Name HDHP, you may be eligible to open and fund a health savings account (HSA) through Bank Name.

An HSA is a savings account that you can use to pay out-of-pocket health care expenses with pre-tax dollars.

CLIENT NAME CONTRIBUTION

If you enroll in the Carrier Name HDHP, Client Name will help you save by contributing to your account.

- **Employee-only:** $X
- **All other coverage levels:** $X

2019 IRS HSA CONTRIBUTION MAXIMUMS

Contributions to an HSA cannot exceed the IRS allowed annual maximums.

- **Individuals:** $3,500
- **All other coverage levels:** $7,000

If you are age 55+ by December 31, 2019, you may contribute an additional $1,000.

HSA ELIGIBILITY

You are eligible to fund an HSA if you are enrolled in the Carrier Name HDHP and meet additional eligibility requirements. Refer to **www.carriername.com** for eligibility information.

MAXIMIZE YOUR TAX SAVINGS WITH AN HSA

use

Use your HSA dollars today to pay for eligible health care expenses such as: deductibles, doctor's office visits, dental expenses, eye exams, and prescriptions.

save

Use your HSA to prepare for the unexpected. An HSA allows you to save and roll over money from year to year. The money in the account is always yours, even if you change health plans or jobs.

invest

The money in your HSA can be invested and grows tax-free—including interest and investment earnings. After you reach age 65, your HSA dollars can be spent without penalty on any expense.

FLEXIBLE SPENDING ACCOUNTS

Client Name offers three flexible spending account (FSA) options, which are administered by Carrier Name.

The FSAs are administered by Carrier Name. Log into your account at www.carriername.com to: view your account balance(s), calculate tax savings, view eligible expenses, download forms, view transaction history, and more.

HEALTH CARE FSA (NOT ALLOWED IF YOU FUND AN HSA)

Pay for eligible out-of-pocket medical, dental, and vision expenses with pre-tax dollars. Over-the-counter (OTC) medications are not eligible for reimbursement without a prescription.

The health care FSA maximum contribution is $2,650 for the 2019 calendar year.

LIMITED PURPOSE HEALTH CARE FSA (IF YOU FUND AN HSA)

If you fund an HSA, you are not eligible to fund a health care FSA. However, you can fund a limited purpose health care FSA, which can only be used to reimburse dental and vision expenses.

The limited purpose health care FSA maximum contribution is $2,650 for the 2019 calendar year.

DEPENDENT CARE FSA

The dependent care FSA allows you to pay for eligible dependent day care expenses with pre-tax dollars. Eligible dependents are children under 13 years of age, or a child over 13, spouse, or elderly parent residing in your house who is physically or mentally unable to care for himself or herself.

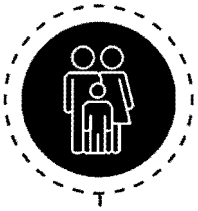
You may contribute up to $5,000 to the dependent care FSA for the 2019 plan year if you are married and file a joint return or if you file a single or head of household return. If you are married and file separate returns, you can each elect $2,500 for the 2019 plan year.

When you fund a dependent care FSA to the maximum amount ($5,000), you will save $1,000 per year.* That is because you don't pay taxes on your FSA contributions.

*Amount varies based on your tax bracket.

LIFE AND AD&D INSURANCE

Client Name provides basic life and AD&D insurance to all benefits-eligible employees at no cost. You have the option to purchase supplemental life and AD&D insurance.



BASIC LIFE AND AD&D INSURANCE

Client Name automatically provides basic life and AD&D insurance through Carrier Name to all benefits-eligible employees **AT NO COST**. If you die as a result of an accident, your beneficiary would receive both the life benefit and the AD&D benefit. **Please be sure to keep your beneficiary designations up to date.**

- **Employee life benefit:** 3x annual earnings up to a maximum of $500,000
- **Employee AD&D benefit:** 3x annual earnings up to a maximum of $500,000

Depending on your personal situation, basic life and AD&D insurance might not be enough coverage for your needs. To protect those who depend on you for financial security, you may want to purchase supplemental coverage.

Use the calculator at **www.carriername.com** to find the right amount for you.

SUPPLEMENTAL LIFE AND AD&D INSURANCE

Client Name provides you the option to purchase supplemental life and AD&D insurance for yourself, your spouse, and your dependent children through Carrier Name.

You must purchase supplemental coverage for yourself in order to purchase coverage for your spouse and/or dependents. Supplemental life rates are age-banded. Benefits will reduce to 65% at age 65 and to 50% at age 70.

- **Employee:** $10,000 increments up to $500,000 or 5x annual salary, whichever is less; guarantee issue: $150,000
- **Spouse:** $5,000 increments up to 100% of the employee's election; guarantee issue: $25,000
- **Dependent children:** Birth to 6 months: $1,000; 6 months to age 19 (or 26 if full-time student): $2,000 increments up to $10,000; guarantee issue: $10,000

If you elect supplemental coverage when you're first eligible to enroll, you may purchase up to the guarantee issue amount(s) without completing a statement of health (evidence of insurability). If you do not enroll when first eligible, and choose to enroll during a subsequent annual open enrollment period, you will be required to submit evidence of insurability for any amount of coverage. Coverage will not take effect until approved by Carrier Name.

DISABILITY INSURANCE

Disability insurance is designed to help you meet your financial needs if you become unable to work due to an illness or injury.

SHORT-TERM DISABILITY INSURANCE

Client Name automatically provides short-term disability (STD) insurance through Carrier Name to all benefits-eligible employees **AT NO COST**. STD insurance is designed to help you meet your financial needs if you become unable to work due to an illness or injury. Benefits will be reduced by other income, including state-mandated STD plans.

- **Benefit:** 60% of base weekly pay up to $2,000
- **Elimination period:** 14 days
- **Benefit duration:** Up to 11 weeks

LONG-TERM DISABILITY INSURANCE

Client Name automatically provides long-term disability (LTD) insurance through Carrier Name to all benefits-eligible employees **AT NO COST**. LTD insurance is designed to help you meet your financial needs if your disability extends beyond the STD period.

- **Benefit:** 60% of base monthly pay up to $10,000
- **Elimination period:** 90 days
- **Benefit duration:** Social security normal retirement age

ACCIDENT INSURANCE

Client Name provides you the option to purchase accident insurance through Carrier Name.

Accident insurance helps protect against the financial burden that accident-related costs can create. This means that you will have added financial resources to help with expenses incurred due to an injury, to help with ongoing living expenses, or to help with any purpose you choose. Claims payments are made in flat amounts based on services incurred during an accident.

CRITICAL ILLNESS INSURANCE

Client Name provides you the option to purchase critical illness insurance through Carrier Name.

Critical illness insurance provides a financial, lump-sum benefit upon diagnosis of a covered illness. These covered illnesses are typically very severe and likely to render the affected person incapable of working. Because of the financial strain these illnesses can place on individuals and families, critical illness insurance is designed to help you pay your mortgage, seek experimental treatment, or handle unexpected medical expenses.

- **Employee:** $15,000 or $30,000; guarantee issue: $30,000
- **Spouse:** 50% of employees election; guarantee issue: 50% of employee
- **Dependent children:** Up to age 26: $5,000; guarantee issue: $5,000
- **Health screening benefit:** $50

401(K) RETIREMENT SAVINGS PLAN

Client Name offers a 401(k) retirement savings plan, which is administered by Carrier Name.

EMPLOYEE ASSISTANCE PROGRAM

Employee assistance program (EAP) services are provided to you and your household members at no cost through Carrier Name.

This is a confidential program available 24 hours a day, 7 days a week, to help you and your family members handle the stresses involved with everyday issues and/or crisis situations.

- The services are accessible through toll-free phone calls and online access.
- Each member can receive up to three free face-to-face counseling sessions, per incident, per year.
- No personal information is ever shared with Client Name.

I'm in over my head. I wish I had someone to talk to.

I need help finding care for my mom.

Ugh, what else is going to go wrong?

The free EAP can support you. Call the EAP 24/7 at 000-000-0000 or visit **www.carriername.com.**

CONTACT INFORMATION

If you have any questions regarding your benefits or the material contained in this guide, please contact Client Name Human Resources.

First Last, Title

000-000-0000

email@clientname.com

Provider/Plan	Contact Number	Website
Medical—		
Dental—		
Vision—		
Health Savings Account—		
Flexible Spending Accounts—		
Life and Disability Insurance—		
Accident Insurance—		
Critical Illness Insurance—		
401(k) Retirement Savings Plan—		
Employee Assistance Program—		

This summary of benefits is not intended to be a complete description of the terms and Client Name insurance benefit plans. Please refer to the plan document(s) for a complete description. Each plan is governed in all respects by the terms of its legal plan document, rather than by this or any other summary of the insurance benefits provided by the plan. In the event of any conflict between a summary of the plan and the official document, the official document will prevail. Although Client Name maintains its benefit plans on an ongoing basis, Client Name reserves the right to terminate or amend each plan, in its entirety or in any part at any time.

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COMPANY NAME

YOUR BENEFITS

open enrollment

BENEFITS PLAN IS EFFECTIVE JANUARY 1–DECEMBER 31, 2019

The open enrollment period begins October 15 and ends November 1.

During open enrollment, you can:

- **Newly enroll in coverage.**
- **Change plans.**
- **Add/drop dependents.**
- **Drop coverage.**

To make a change, complete and submit the enrollment form to Human Resources by November 1, 2019.

If you do not submit a new election form, your current benefit elections will automatically carry over to the new plan year.

All benefit election changes are effective January 1, 2019, to December 31, 2019.

Please take the time to learn about the benefits Client Name offers by:

1. Reading this announcement.
2. Reviewing the 2019 Employee Benefits Guide.
3. Attending an enrollment meeting or live webinar.

If you have questions, contact Human Resources at xxx-xxx-xxxx.

WHAT'S NEW?

MEDICAL INSURANCE—NEW CARRIER!

- Medical insurance will be provided through Carrier Name.
- On average, the amount employees are paying for coverage is decreasing by 35 percent!

DENTAL INSURANCE—NEW CARRIER!

- Dental insurance will be provided through Carrier Name.
- The annual plan maximum is increasing to $1,500 per covered individual.
- The amount you pay for coverage is decreasing.

VISION INSURANCE—NEW CARRIER!

- Vision insurance will be provided through Carrier Name.

LIFE AND AD&D INSURANCE—NEW BENEFIT!

- You have the option to enroll in voluntary life and accidental death and dismemberment (AD&D) insurance through Carrier Name.

ENROLLMENT MEETINGS

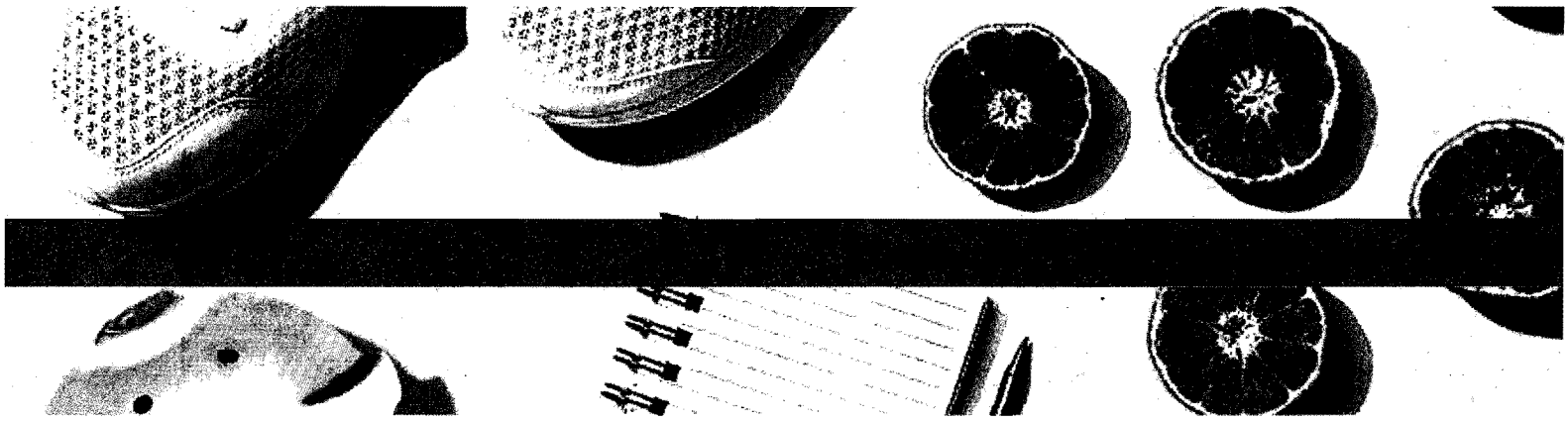
Come learn about your benefits!

Date	TIME	LOCATION

Open enrollment is the one time during the year you can make changes to your benefits unless you experience a qualified life event such as marriage or birth of a child.

2019 Newsletter Topics

your HEALTHUPDATE



January
Make Small Changes for the New Year

February
Brush Away Your Health Risks

March
Common Health Myths Debunked

April
Improve Your Sleep Habits

May
Save on Prescriptions

June
Avoid Summer Hazards

July
Eat in Season

August
Declutter Your Mind

September
Fight the Flu

October
Stop Sitting and Start Moving

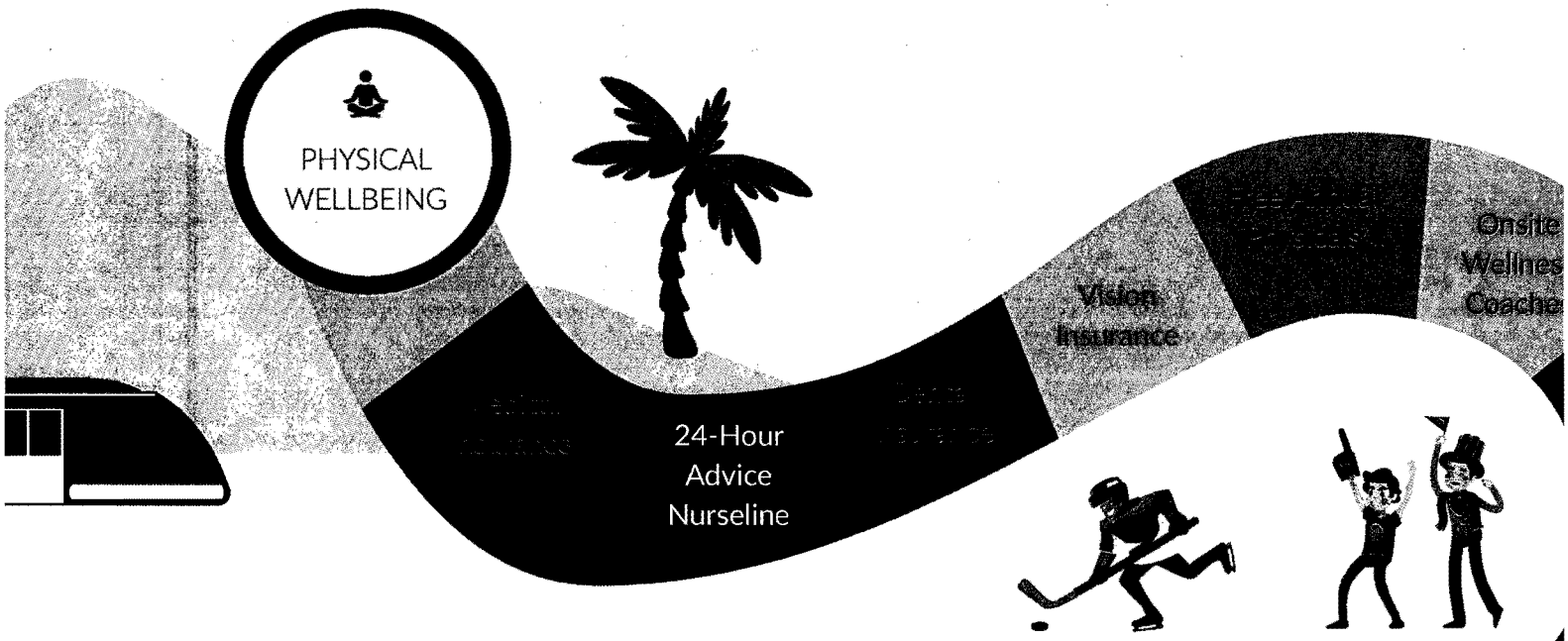
November
Manage Your Holiday Spending

December
Buddy Up: Exercise With Others

Physical health · Emotional health · Financial health · Social health

WE WORK TOGETHER, WE ALL WIN

At Client Name, your job is more than just a paycheck. Each day, your work enriches the lives of our citizens and
tourism destination. You protect us, improve our roads, keep our parks beautiful, encourage our youth, and provide our
You are what makes City Name a great, safe, inclusive, and world-class city.



BENEFITS BUILT FOR YOU.

At Client Name, we care about and appreciate you. One way we show our appreciation is by providing a benefits program that supports your total well-being: **physical health, social health, career health, emotional health, and financial health.**

Client Name Communication Plan

What I heard

- Desire to communicate with employees about benefits throughout the year.
- Employees don't understand the benefits available to them/how they work.
- City Name is booming!

Areas of focus

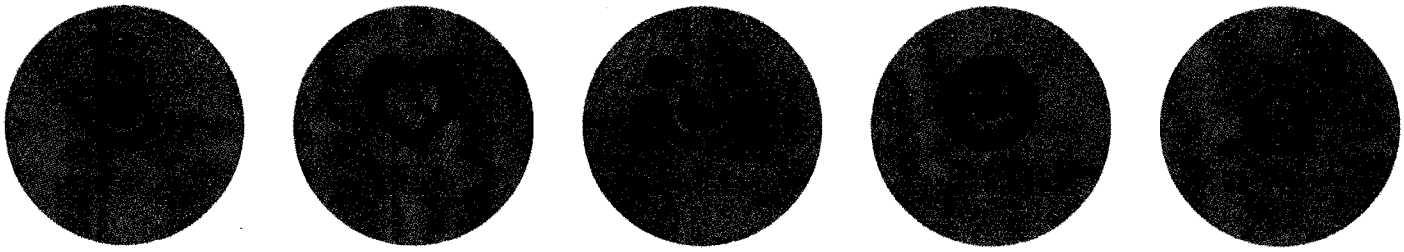
- Promote the wide variety and uniqueness of Client Name's benefits to employees.
- Improve employees' understanding of benefits (especially medical insurance).
- Increase perceived value of benefits package.
- Help employees make the most of the benefits they are enrolled in.

Recommendations and ideas

- Focus on how Client Name's benefits package is built for employees (Benefits Built for You).
- Group benefits into five well-being categories: physical, social, career, emotional, financial (see page 2).
- Communicate with entire employee population about benefits on a quarterly basis.
- Consider adding targeted communications (e.g., worksite, job type, gender).
- Gamify benefits education (e.g., live or virtual scavenger hunt).
- Implement a multi-channel approach:
  - Email.
  - Print (posters, mailings).
  - Video.
  - Text.
  - Manager talking points.
  - Employee surveys.

LOCKTON

Client Name Total Wellbeing



Component Definitions

Feeling well and practicing a healthy diet, maintaining a normal weight, and being physically active.	Quality relationships and contact with others.	How you spend your days; liking what you do every day.	Expressing positive emotions and coping with demands.	Effectively managing money and planning for the future.

Client Name Benefits/Programs

▪ Medical insurance ▪ Dental insurance ▪ Vision insurance ▪ Free annual physicals ▪ 24-hour advice nurseline ▪ Onsite wellness coaches ▪ Fitness centers ▪ Mobile Medical Unit	▪ Art exhibits ▪ Employee events ▪ Corporate challenges ▪ Blood donation	▪ College Name free training program ▪ Online training ▪ Tuition reimbursement	▪ Employee assistance program ▪ Art exhibits ▪ Wellness coaches ▪ Fitness centers	▪ Life and AD&D insurance ▪ Disability insurance ▪ Carrier plans ▪ Late night rides ▪ Bank Name Credit Union ▪ Cell phone discounts ▪ Long-term care policies ▪ State PERA ▪ 457(b) deferred compensation plans

your

HEALTHUPDATE

Pick a Provider Partner

YOUR LOGO

MARCH 2018

YOUR PRIMARY CARE PHYSICIAN IS YOUR HEALTH CARE

Establishing a good relationship with your primary care physician (PCP) is essential to living a long, healthy life.

five reasons you need a PCP

Your PCP's goal is to keep you healthy. He or she provides your annual preventive care—including a complete physical—at no cost to you.*

Your PCP knows you and your medical history. Your PCP sees you regularly, and can detect and diagnose new issues early, when treatment is most effective.

Your PCP is trained to recognize signs and symptoms of mental health issues. Your PCP tracks your mental health status, just as they do your physical health.

Your PCP is your first stop for care. When you are sick, a visit to your PCP is less expensive, and often much faster, than a trip to the ER or urgent care.

Your PCP can refer you to a specialist who is excellent at treating patients with your symptoms. Your PCP works with the specialist to ensure you receive the best care.

how to choose a new PCP

It is important to find a doctor who you trust and is a good fit for you.

Here are four tips for choosing a new primary care physician.

Review your health plan's provider network. Selecting an in-network PCP will save you money.

Ask your friends and family for referrals. If someone you are close with likes their PCP, chances are you will too.

Consider location options. Do you want a doctor who is close to your home or work?

If you feel more comfortable discussing certain issues with a male or female doctor, consider that when selecting a PCP.

*When provided by a network PCP. Fees may apply if your medical plan is grandfathered. Some services are generally not considered preventive if you get them as part of a visit to diagnose, monitor, or treat an illness or injury. Contact your insurance company for more information.

Physical health Emotional health

THE REAL COST OF SMOKING

Smoking not only affects your health, but it takes up a lot of your time and money too.

The cost of smoking one pack a day for a year is

$2,000

1 pack per day = **2** hours per day = **30** days per year

Note: This estimate is based on an average time to smoke a cigarette of six minutes, 20 cigarettes in a pack, and an average cost of $5.50 per pack.

COMPANY NAME

Address
City, State ZIP

POSTAGE
CLEAR
ZONE
(REMOVE BEFORE
PRINTING)

Client Name will help you quit for FREE.

The tobacco cessation program will help you create a personal quit plan and you will have access to free nicotine replacement patches, lozenges, or gum. **Plus, you will pay less for medical insurance.** Call XXX-XXX-XXXX to sign up.

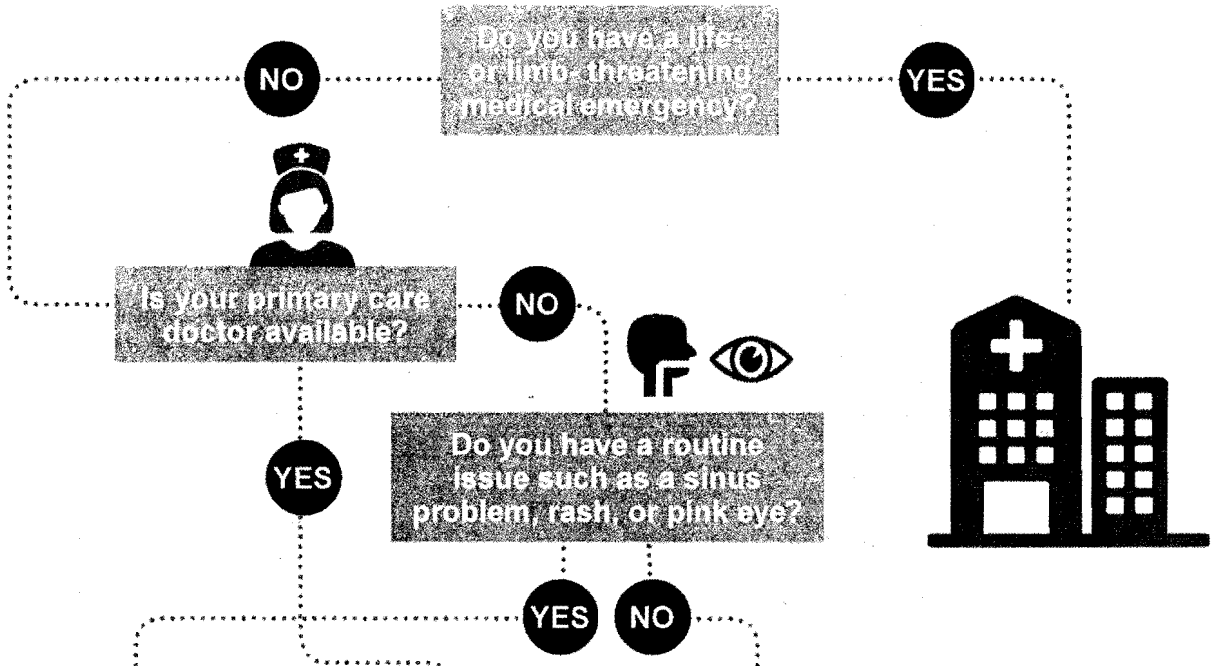
MAILING ADDRESS

(REMOVE BEFORE PRINTING)

BARCODE & POSTAL MARKING AREA (REMOVE BEFORE PRINTING)

KNOW WHERE TO GO FOR CARE

Where you go for medical services can make a big difference in how much you pay and how long you wait to see a health care provider. Use the chart below to help you choose where to go for care.



Use Telemedicine

An appointment with a physician is available from your phone or computer, for care without leaving your house.

Visit **carrier.com** to make an appointment.

$

Go to Your Primary Care Doctor

For care during normal office hours, it's usually best to go to your primary care doctor. He or she can provide follow-up care and refer you to a specialist, if needed.

$$

Go to an Urgent Care Center

Urgent care centers typically don't require an appointment and are often open in the evenings and on weekends. Plus, in-network urgent care centers are faster and much less expensive than the ER.

$$$

Go to the Emergency Room

In the case of a true medical emergency, go to the ER. At the ER, true emergencies are treated first, and other cases must wait—sometimes for hours. And, it will cost you a lot more to get care at the ER.

$$$$

Note: The information in this document is not intended as a substitute for professional medical advice.

Dashboards

LOCKTON

Infolock ®: Action through Insight

Collect data from multiple disparate sources and enhance the data with big data intelligence.

Medical Claims

Pharmacy Claims

Member Demographics

Health Risk Screenings

Biometric Screenings

Lost Time

Powered by SCIO®

Benchmarking

Proprietary Risk Models

101001
011101
110001

Algorithms

Clinical Facts

Predictive Models

Dashboard Measures

- Financial
- Utilization
- Care management
  - Health risks
  - Wellness measures
  - Chronic conditions
  - Gaps in care
  - Clinical engagement
- Purchasing efficiency (e.g., network performance, admin fees)
- Employee engagement (e.g., net promoter score, communication touch points)
- Competitiveness (benchmark position for benefits, premium, cost share)

... designed based on EXL-specific goals

Infolock Dynamic Dashboard

infolock

Welcome, Ajith_scio
Last Login : 8/16/2016 9:12:43 AM.
My Account | Sign Out

Home | Modules | Definitions | Reporting | User Management | Application Info

> Reporting > Population Health Reporting > Advanced Population Reports

Advanced Population Reports

Export Queue | Download

PDF
PPT
DOCX

- Data Validation
- Executive Summary
- Short Static Report

POPULATION TRENDS

- Demographics
- Conditions

QUALITY OF CARE

- Risk Summary
- Impactability
- Gaps Summary

COST & UTILIZATION

- Financial Summary
- Utilization Summary
- Diagnostic Category
- Emergency Room
- High Cost Claimants
- Procedures
- Providers
- Prescription Drugs

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Comprehensive Dashboard (example 1, part 1)

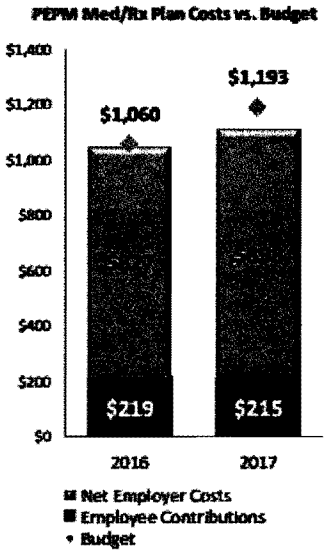
Medical/Rx Plan Costs & Performance to Budget

Annual Medical/Rx Total $ and PEPM

	2016	2017	% Change
Average Enrollment	1,546	1,595	3.2%
Employee Contributions[1]	$4,070,986 $219	$4,120,189 $215	1.2% -1.9%
[illegible]	$15,340,885 $827	$17,181,268 $898	12.0% 8.6%
Total Plan Costs	**$19,411,871** **$1,046**	**$21,301,458** **$1,113**	**9.7%** **6.4%**
Budget	$19,665,188 $1,060	$22,834,106 $1,193	16.1% 12.5%
Loss Ratio	98.7%	93.3%	-5.5%
Surplus/(Deficit)	$253,317 $14	$1,532,649 $80	505.0% 486.4%

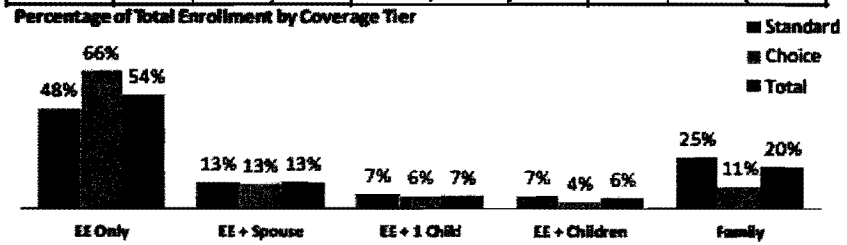
[1] Does not include dental. Includes wellness credit (66.4% participation assumed)

[2] Does not include dental admin/claims or onsite clinic expenses



Enrollment Summary

Enrollment by Plan	Standard PPO Wellness	Standard PPO Non-Wellness	Standard PPO Total	[illegible] Wellness	[illegible] Non-Wellness	[illegible] Total	Grand Total Wellness	Grand Total Non-Wellness	Grand Total Total
Dec-17	596	434	1,030	362	187	549	958	621	1,579
Jan-18	592	412	1,004	365	212	577	957	624	1,581
% Change	-0.7%	-5.1%	-2.5%	0.8%	13.4%	5.1%	-0.1%	0.5%	0.1%



Top Providers & Network Summary

#	Provider Name	Patient Count	Claim Count	Paid Amount	% of Total Paid Amount
1	POUDRE VALLEY HEALTH CARE INC	623	1,705	$6,302,336	32.4%
2	MEDICAL CENTER OF THE ROCKIES	226	376	$1,988,823	10.2%
3	UNIVERSITY OF COLORADO HOSPITAL	83	221	$722,989	3.7%
4	CHILDREN'S HOSPITAL COLORADO	22	103	$617,110	3.2%
5	NORTH COLORADO MEDICAL CENTER	56	95	$602,792	3.1%
6	MCKEE MEDICAL CENTER	121	234	$517,920	2.7%
7	ORTHOPAEDIC & SPINE CENTER OF	309	1,379	$419,942	2.2%
8	NORTHERN COLORADO KIDNEY	1	51	$415,918	2.1%
9	BANNER FORT COLLINS MEDICAL CE	49	79	$385,696	2.0%
10	CU MEDICINE	136	713	$357,907	1.8%
All Others		14,730	42,297	$7,122,604	36.6%
Grand Total		**16,356**	**47,253**	**$19,454,037**	**100.0%**

Claims by Relationship – Medical and Rx

Paid Dates: January 01, 2017 - December 31, 2017

Relationship	# of Members	% of Total Members	Paid Medical Claims	% of Medical Claims	Paid Rx Claims	% of Rx Claims	Total Paid Claims	% of Total Claims
Employee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Spouse	521	[illegible]	$3,654,492	[illegible]	$775,780	16.7%	$4,430,212	[illegible]
Child	902	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	**3,121**	**100.0%**	**$19,454,037**	**100.0%**	**$4,632,294**	**100.0%**	**$24,086,331**	**100.0%**

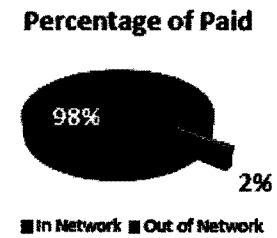
Claims by Place of Service – Medical

	2016		2017	
Place of Service	Paid Medical Claims	% of Medical Claims	Paid Medical Claims	% of Medical Claims
Inpatient	[illegible]	[illegible]	[illegible]	[illegible]
Outpatient	$5,591,285	33.5%	$6,168,852	31.7%
Physician	[illegible]	[illegible]	$7,234,042	[illegible]
Ancillary Services	$435,413	2.7%	$465,303	2.4%
Total	**$16,307,470**	**100.0%**	**$19,454,037**	**100.0%**

Paid Claims by Network

Network Area	Covered Amount[1]	Allowed Amount[1]	Precentage of Paid	Paid Claims
In Network	$34,543,616	$21,232,382	98.4%	$19,150,941
	$512,987	$499,977	1.6%	$303,096
Total	**$35,056,603**	**$21,732,359**	**100.0%**	**$19,454,037**

[1] Covered amounts do not include ineligible claims. Some ineligible claims are balanced billed to members. Allowed amounts equal paid claims before member cost sharing and coordination of benefits (COB) are applied.

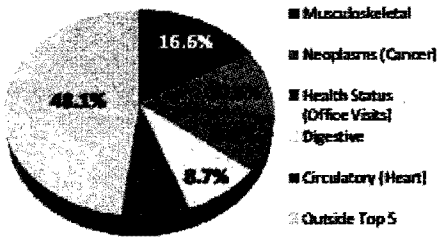


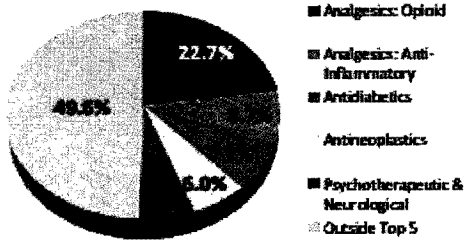
Comprehensive Dashboard (example 1, part 2)

Top 5 Major Diagnostic Categories (MDC) & Rx Therapy Classes

#	MDC	Patient Count	Claim Count	Paid Amount	% of Total Paid Amount
1	Musculoskeletal	1,378	11,157	$3,220,784	16.6%
2	Neoplasms (Cancer)	65	697	$2,045,525	10.5%
3	Health Status (Office Visits)	2,464	10,818	$1,701,963	8.7%
4	Digestive	616	2,369	$1,684,273	8.7%
5	Circulatory (Heart)	409	1,567	$1,449,609	7.5%
	Top 5 MDCs:	**4,932**	**26,608**	**$10,102,154**	**51.9%**

MDC % of Total Medical Paid Amount





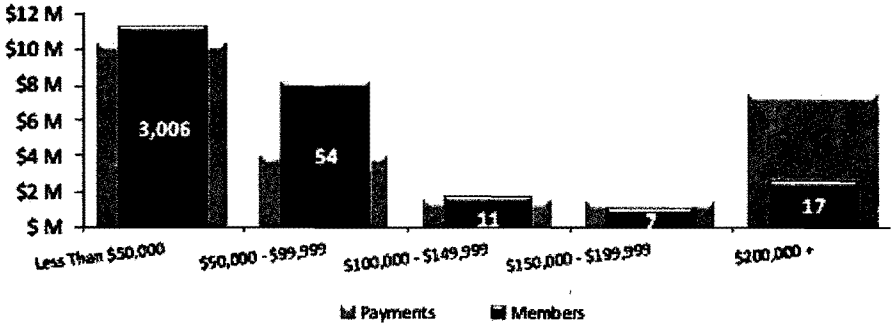
1	Analgesics: Opioid	1,238	$1,050,319	$28.28	$1.59
2	Analgesics: Anti-Inflammatory	595	$400,741	$10.79	$10.33
3	Antidiabetics	1,052	$327,575	$8.82	$10.85
4	Antineoplastics	187	$279,293	$7.52	$3.70
5	Psychotherapeutic & Neurological	104	$277,064	$7.46	$5.73
	Top 5 Rx Therapy Classes:	**3,176**	**$2,334,992**	**$62.87**	**$32.20**

Member Cost Share

Member Cost Share	Standard PPO 2016	Standard PPO 2017		
Plan Paid Medical/Rx Claims	$9,187,201 85.6%	$10,209,396 86.2%	$10,682,562 91.8%	$13,876,935 93.6%
Member Cost Share (Deductible, Coinsurance, Copays)	$1,544,831 14.4%	$1,632,138 13.8%	$959,089 8.2%	$950,902 6.4%
Total	$10,732,031	$11,841,534	$11,641,651	$14,827,837

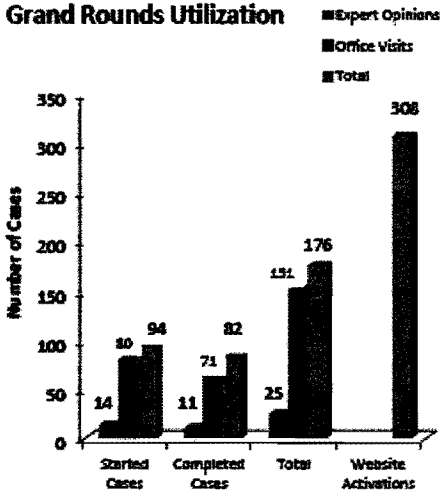
Claims by Size – Medical and Rx

Payment Category	Members	Percent of Members	Benchmark	Payments	Percent of Payments	Benchmark	Average Paid Per Claimant
Less Than $50,000	3,006	97.1%		$10,245,395	42.5%	57.5%	$3,408
$50,000 - $99,999	54	1.7%	33	$3,902,936	16.2%	15.3%	$72,277
$100,000 - $149,999	11	0.4%	9	$1,361,762	5.7%	7.4%	$123,797
$150,000 - $199,999	7	0.2%	4	$1,223,603	5.1%	4.7%	$174,800
$200,000 +	17	0.5%	6	$7,352,634	30.5%	15.1%	$432,508
Total	3,095	100.0%		[illegible]	100.0%	100.0%	$7,782

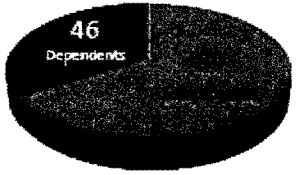


Other Vendors

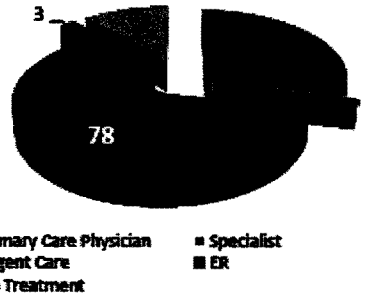
Grand Rounds Utilization



Teladoc Utilization by Member Type



Where member would have gone

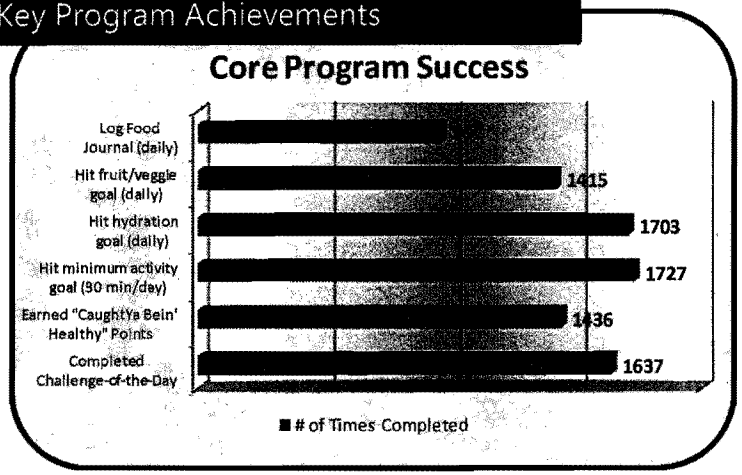


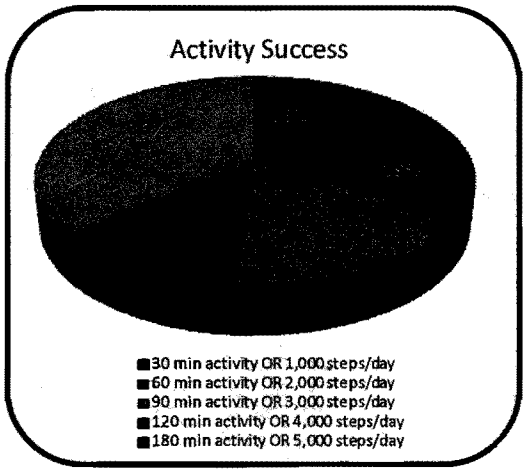
Key Measures Dashboard (example 2)

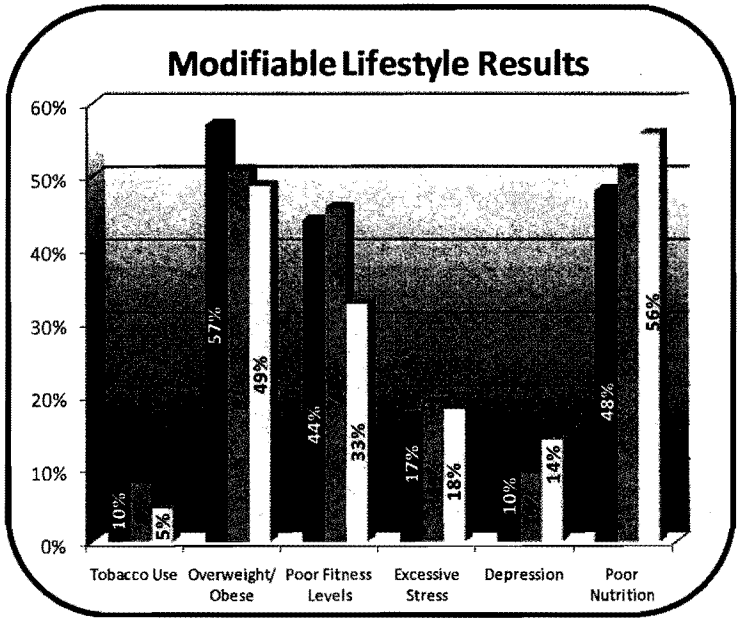
Metric	Goal	2016	2017	2018 YTD	Results
Performance to Market	$828	$873	$761	$834	
Performance to Budget (Med/Rx/Den)	100%	96%	89%	85%	
In-Network Penetration	95%	99%	99%	99%	
Purchasing Efficiency	91%	93%	93%	92%	
Employee Satisfaction (1-5)	4.0	3.9	3.9	4.0	
Competitiveness (Quartile)	Top 25%	Top 25%	Top 25%	Top 25%	
Wellness: HRA Completion %	60%	39%	50%	55%	
% Identified High Risks who are Actively Engaged in DM	70%	50%	58%	54%	
Other					

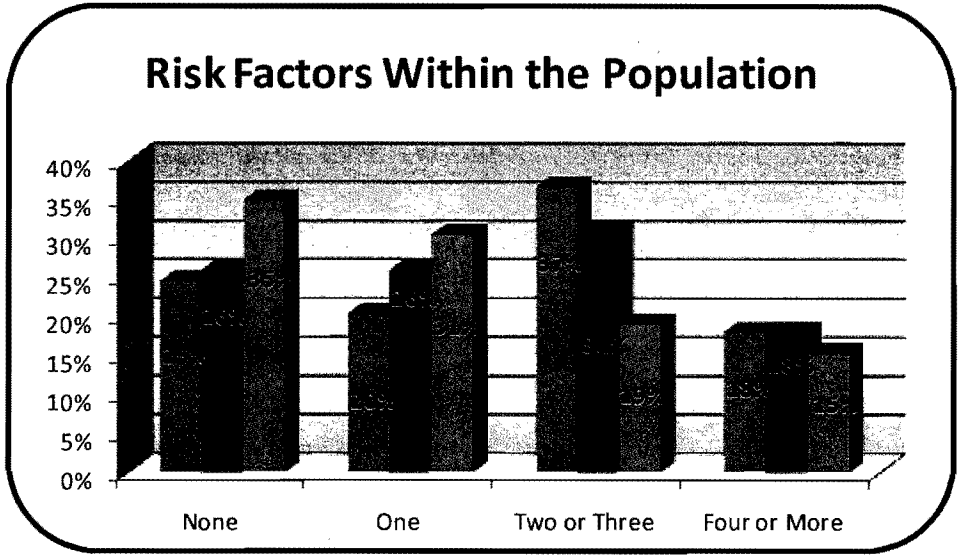
Wellness Dashboard (example 3)

Key Program Achievements









NOTES

RISK MANAGEMENT • EMPLOYEE BENEFITS • RETIREMENT SERVICES

Our Mission | To be the worldwide value and service leader in insurance brokerage, risk management, employee benefits and retirement services

Our Goal | To be the best place to do business and to work

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Adams County

April 15, 2019

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Introductions

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Retiree healthcare program

Postretirement benefit services

- Retiree rate setting
- Plan design
- Exchange-based plans
- Medicare Part D actuarial attestation and claims submission
- Union negotiation support
- Employee and retiree communications
- Covered population projections

Spectrum of postretiree alternatives

Traditional sponsor (defined benefit)

- Cap employer liability.
- Introduce multichoice program, including lower-cost plans.
- Establish Medicare Advantage plans.
- Offer a Part D program including an Employer Group Waiver Plan (EGWP):
  - Leverage federal subsidy, catastrophic coverage and the Rx manufacturers' brand discount for additional funding sources.

Arm's length (defined contribution)

- Terminate traditional group plans and endorse or partially subsidize individual or group Medicare health plans.
- Shift financial responsibility to retirees.
- Retirees choose coverage level.
- Transfer administrative burden to carrier.
- Health reimbursement accounts (HRAs)

Exit: Full/partial

- Terminate traditional group plans and endorse individual Medicare health plans.
- Transfer administrative burden to carriers and/or exchange administrators.
- Advisory services to assist retirees for medical coverages and beyond.
- Assist/subsidize retirees with coverage on exchange.
- No enrollment for new entrants.

Wellness

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Triple Aim Approach

Health of Population **Patient Experience** **Cost**

Key Performance Indicators

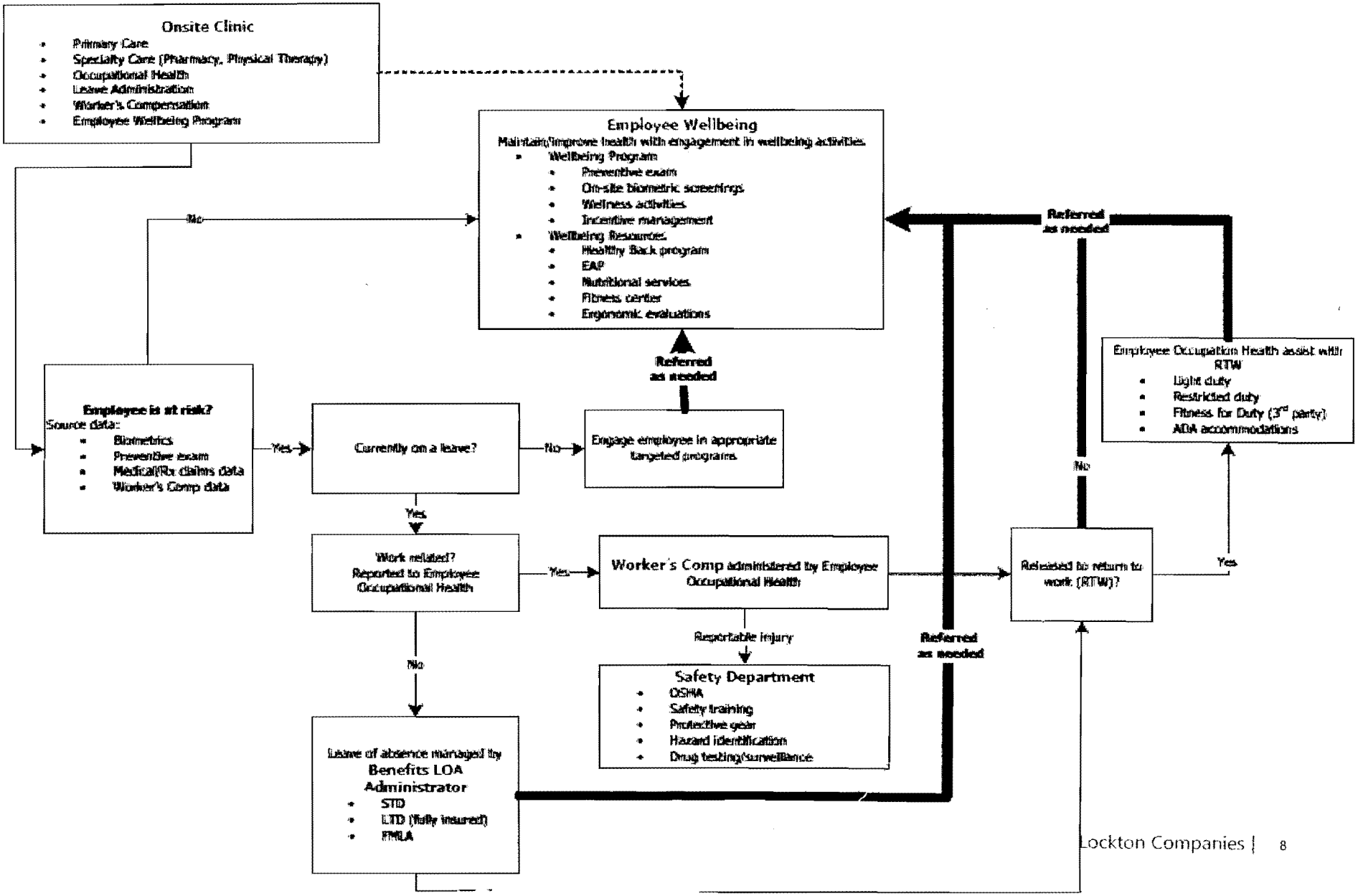
With leading and lagging indicators

Overall Utilization	High Risk and Chronic Conditions	Health Improvement	Claims Trend	Satisfaction
▪ Number and type of appointments ▪ Appointment availability ▪ Types of conditions seen	▪ Quality care measures ▪ Claims data ▪ Biometrics ▪ Case management	▪ Risk reduction measures ▪ Claims data ▪ Targeted interventions ▪ Engagement in wellbeing programs	▪ Exclude outliers (greater than $100,000) ▪ Medical and pharmacy claims data	▪ Employee survey ▪ Net Promoter Score ▪ Account management evaluation

Additional Key Considerations

- Staffing model to support and meet current and future strategic and operational goals
- Integration and referral processes with available health and productivity resources (e.g., leave management, EAP, return to work)
- Evaluating lost work days and enhance worker productivity, keeping employees healthy on the job
- "Whole person" practice philosophy to improve the total wellbeing of employees (Physical, emotional, financial, social)
- Provide a high quality health care experience that is relevant, personalized, and simple to access

Total health integration



Analytics

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Measuring program effectiveness

	Metric		2017	2018	2019 Goal	March, 2019	Benchmark (2019)
Self-Funded Medical/Rx	Total Enrollment	Employees	8,129	8,167		8,354	
		Members	18,292	17,460		17,705	
		% in CCP Plan	85%	86%	87%	87%	
	Total Medical Claims Cost	PMPM	$324	$325	Remain below benchmark	$378	$328
	Total Pharmacy Claims Cost *	PMPM	$78	$74		$80	$92
	Medical and Rx Total Plan Cost - All Plans (claims plus fixed costs)	PMPM	$428	$424		$503	
		PMPM Normalized	$375	$369		$422	$510
	CCP Cost	PMPM	$450	$443		$508	
	Standard Cost	PMPM	$506	$483		$544	
	HDHP Cost	PMPM	$254	$311		$364	
	Domestic Claims Spend (Medical)	%	52.9%	53.1%	56.0%	56.6%	
	Total Plan Cost, less EE contrib. ($1,000's)	$	**$76,634**	**$73,102**	**$19,954**	**$20,792**	
	Performance to Budget	%			**100%**	**104%**	
	Medical Rolling 12 Claims Trend PMPM	%	4.3%	-0.4%	Remain below benchmark	6.7%	6.1%
	Pharmacy Rolling 12 Claims Trend PMPM	%	-2.5%	-5.5%		8.3%	12.4%

* 2018 pharmacy claim costs are actual paid claims, less 2018 minimum rebate guarantees
2019 pharmacy claim costs are actual paid claims, less estimated 2019 minimum rebate guarantees

	Metric		2017	2018	2019 Goal	March, 2019	Benchmark (2019)
Rx	Specialty Spend	$	$4,877,300	$5,390,055			
	Formulary Match	%	93%	94%	96%	95%	97%
	Drugs dispensed through JCL Pharm	%	86%	88%	93%	96%	95%
	Benchmark for last two performance years	PMPM	$450	$473	$460	$478	$460
	Medical Claims Experience	PMPM	$400	$409	$400	$431	
	Savings	PMPM	$23	$26	$35	$21	$30
	Care Management Fees	PEPM	$4	$5	$6	$6	$8
	Net Reduction (Total Claims Cost Reduction-Care Management Fees)	$	$396	$404	$394	$425	-800%
	Readmits	Per 1,000	10	9	5	6	0
	Avoidable ER Visits	Per 1,000	18	15	13	10	13
	Generic Prescribing Rates	%	86%	86%	90%	88%	87%
	20% Enrollment of Impactables Achieved	Y/N	Y	Y	Y	Y	

Analytic tools for program design & claims savings

Objectives	Baseline assessment	Tactics
▪ Use the IDEAL Profile to identify a company's belief system around how benefits should be offered to employees. ▪ This belief system drives what benefits they offer and also the overall strategy you use to get the most value out of your investment.	▪ Understand employee demographics. ▪ Benchmark against peer groups/industry. ▪ Claims experience. ▪ Large Claimants. ▪ Infolock®. ▪ Seismic Solution Library. ▪ Industry trends.	▪ Use GPS (Group Plan Strategy) to identify cost-saving and impact tactics to align with IDEAL findings (belief system and objectives).

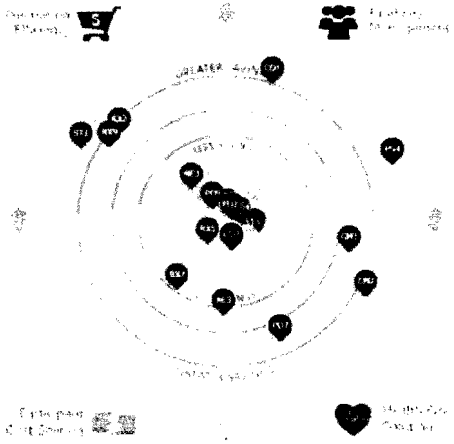
I Influence benefits have on employee well-being is the employer's responsibility.

D Disruption to employees should be carefully considered when making employee benefits changes.

E Economic conservatism is an important factor when selecting employee benefits.

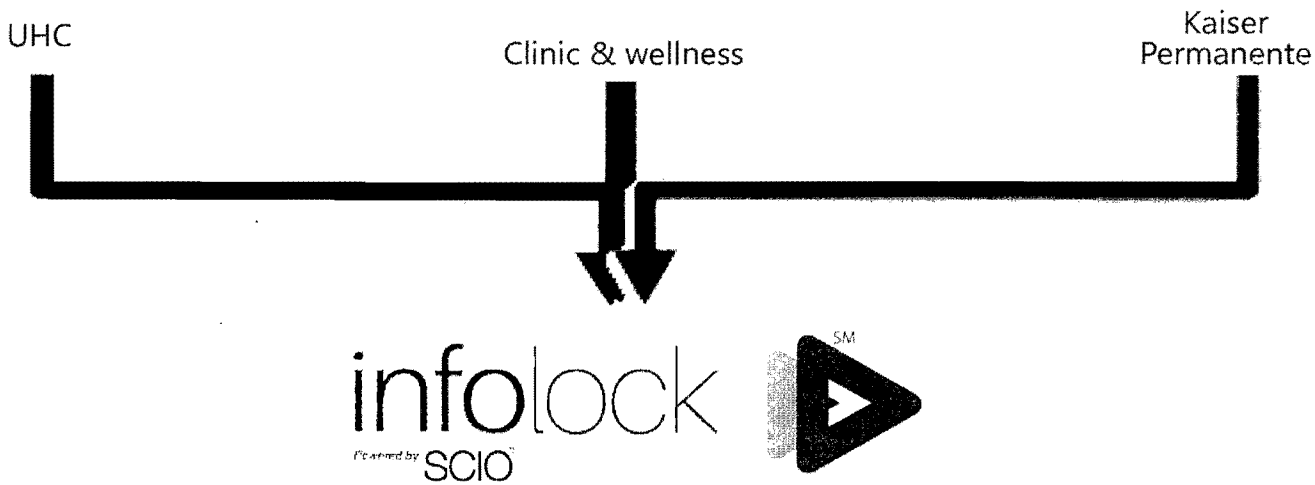
A Accountability to appropriately select and utilize benefits is the employee's responsibility.

L Loyalty to the company gained through benefits is an important aspect of a company's value proposition.



Multi-Year Strategy

Analytics guiding results



- Quantify risk and performance by carrier
- Assess program effectiveness
- Normalize risk through funding
- Predictive analytics

Examples

- Jefferson County, DCSD, CCCS, City/County of Denver

Dual Carrier Option

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Solution

- Balance all aspects of a co-exist offering to promote long-term viability
  - Risk (member population)
  - Product (plan design)
  - Network (broad based or narrow)
  - Contributions

- Four alternatives varying in complexity but **all have been used**:
  - Alternative 1: Kaiser + Alternate Carrier with carriers managing risk
  - Alternative 2: Kaiser + Alternate Carrier with narrow network with County managing risk
  - Alternative 3: Kaiser in risk sharing arrangement + Alternate Carrier with County managing risk
  - Alternative 4: Kaiser in risk sharing arrangement + Alternate Carrier with narrow network with County managing risk

Case Study: Kaiser + Alternate Carrier

Network	Kaiser (CPMG) HMO	Narrow network (optional but preferred)
Risk	RSA (risk share arrangement)	Partial self-funding or RSA
Plan Design	Same or richer than Alt	Same or skinnier than KP
Contributions	Adjust employee contributions to stabilize risk enrolled in each plan option*	

Examples: Jefferson County Government & Colorado Community College System

Results:

- Enrollment stabilized
- Employees' contributions stabilized and better aligned with value
- Employer's risk balanced between carriers
- Carrier choice maintained

* Employee contributions are risk-adjusted using Infolock and network analysis

Initiative

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Proactive service

"We Live Service"...that's not just our motto; it is proven in our 96% client retention rate and 2 years of JD Power #1 for client satisfaction!

IDEAL Profiling	▪ Facilitated "stakeholder" alignment exercise ▪ Vision and philosophy creation
Three Year Roadmap	▪ Mutually agreed upon tactics to carry out strategy ▪ Purchasing efficiency, wellness, eligibility management & participant cost sharing
Client Service Plan	▪ Annual calendar with all tactics and milestones ▪ Week-by-week recording of tasks, responsible parties and deadlines – "proactivity on paper"
Analytics	▪ Clinical (Including KP), financial, benchmarking (public sector) ▪ Actionable information – decision based in fact
	▪ Colorado only surveying, public sector data ▪ Market-changing pushes (e., KP data, RSA, bundled payment)
Employee Insights	▪ Surveying, conjoint analysis, changing demographics

Time Line

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Time Line: Strategic planning and account management

Task	Responsible Party	Target Date	Comments
Strategic Planning			
Conduct next year planning/strategy	Adams County / Lockton	February	
Conduct health & welfare program assessment to establish short and long-term objectives	Adams County / Lockton	February	
Market landscape overview	Lockton	February	
Analyze InfoLock data to ensure client is within desired range	Adams County / Lockton	February	
Recommend plan focus areas and tactics	Lockton	February	
Request IBNR	Lockton	Annually	
Account Management			
Prior year service debrief	Adams County / Lockton	February	Scorecard completed and reviewed.
Assist with vendor service issues, schedule and attend vendor meetings	Lockton	As needed	
Assist with employee benefit related compliance issues	Lockton	As needed	
Conduct Bi-Weekly Meetings	Adams County / Lockton	Ongoing	
Participate in OE file preparation	Adams County / Lockton	December	
Evaluate current wellness opportunities	Adams County / Lockton	Quarterly	
Provide medical, Rx, dental and vision trend data	Lockton	January	
Provide Wellness Newsletter	Lockton	Monthly	
Monitor large claims	Adams County / Lockton	Weekly and Monthly	

Time Line: Compliance and vendor management

Task	Responsible Party	Target Date	Comments
Compliance			
Review all plan documents for accuracy, compliance with legislative guidelines	Lockton	Annually and As needed	
Provide Annual Notice Packet	Lockton	October	
Attested to Qualifying, Affordable, Medicare Part D Creditable Coverage	Lockton	October	
Medicare Part D Creditable Coverage Notice to plan participants	Adams County	October	New hires - upon hire; annually at open enrollment
Medicare Part D CMS Disclosure	Adams County	by March 1	Annual Filing
Provide legislative/compliance updates	Lockton	Ongoing	
Access to Lockton's ERISA attorneys	Lockton	As needed	
Provide guidance and educational seminars, workshops, and WebEx's	Lockton	Ongoing	
Provide annual compliance email and calendar	Lockton	January	
Vendor Management			
Serve as vendor liaison on all service issues (claims, billing, etc.)	Lockton	Ongoing	
Participate in vender check-in calls	Lockton	Monthly	
Schedule/attend vendor meetings	Adams County/Lockton	Quarterly	

Time Line: Financials/reporting

Task	Responsible Party	Target Date	Comments
Financials/Reporting			
Provide financial data	Lockton	Monthly	
Conduct Year End Financial Review	Lockton	February	
Review Open Enrollment enrollment numbers	Lockton	February	
Complete comparison of plan values	Lockton	February	
Monitor Retiree program	Lockton	Monthly	
Provide pre-renewal projection	Lockton	Monthly during June - August	
Provide annual medical budget/renewal report	Lockton	Monthly during June - August	
Provide annual dental budget/renewal report	Lockton	Monthly during June - August	
Provide annual vision budget/renewal report	Lockton	Monthly during June - August	
Provide interactive contribution and benefits modeler (ICBM) to include cost projections, employee/employer contribution strategies and enrollment migration estimates	Lockton	Monthly during June - August	
Provide InfoLock standard report	Lockton	Annually	
Conduct pharmacy pricing reconciliation	Lockton	Annually	
Provide final budget and contribution worksheet	Lockton	September	
COBRA rate certification	Lockton	September	
Provide carrier financial and utilization reports	Lockton	Quarterly	
Provide Plan Selector Tool	Lockton	September	

Contracts

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Documents to review & considerations

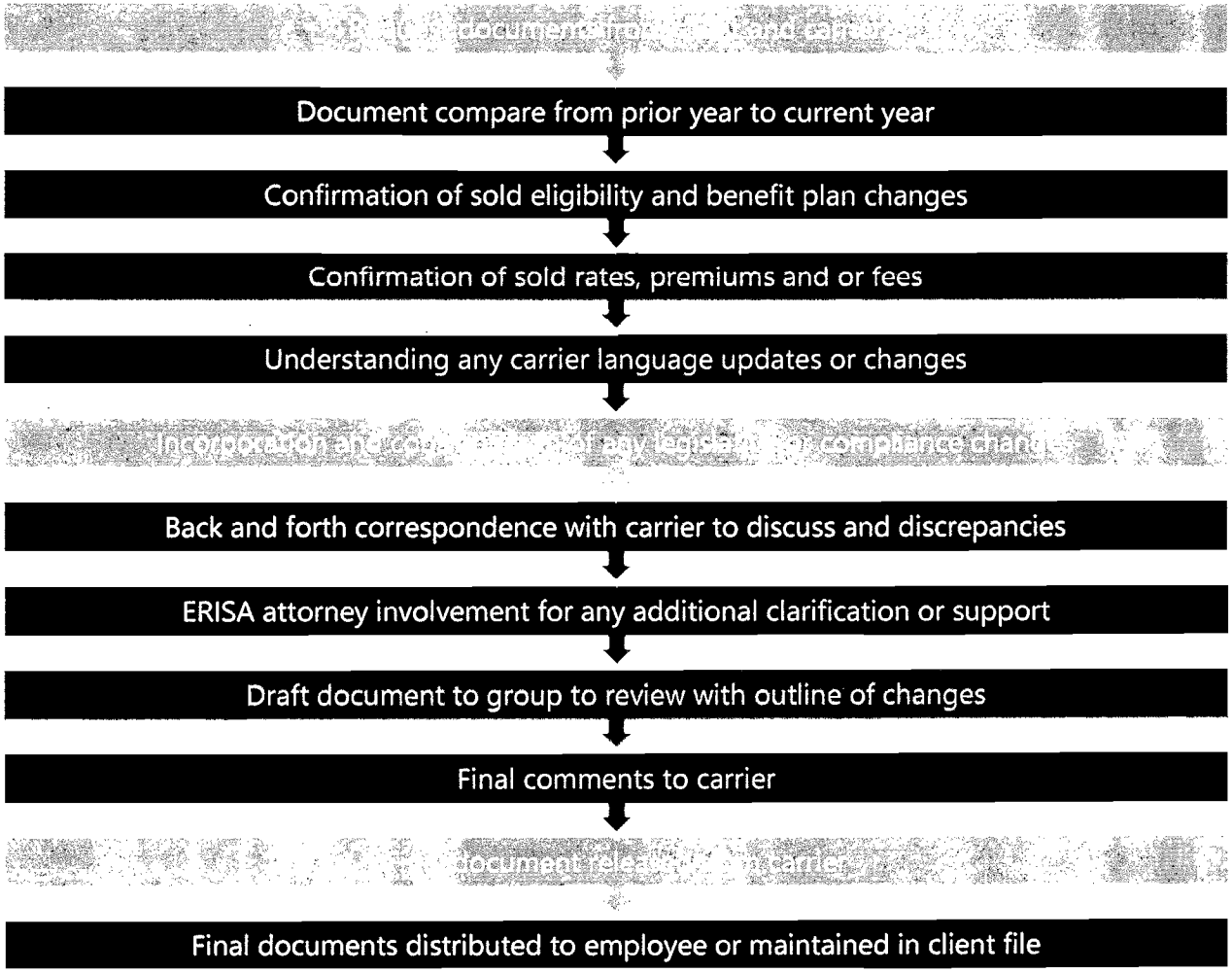
Documents

- Summary annual report (SAR).
- 5500's.
- Cafeteria and "wrap" plans.
- Summary plan descriptions (SPD).
- Summary of benefits and coverage (SBC).
- HIPAA privacy notice and reminder and special enrollment notice
- COBRA general notice and election notice
- Medicare Part D creditable coverage notices and CMS disclosure
- Exchange notice
- Affordable Care Act tracking and reporting.
- Service agreements.
- Performance guarantees.

Considerations

- Plan requirements
- Affordable Care Act.
- ERISA.
- State insurance laws.
- Federal insurance laws.
- COBRA and HIPAA laws.
- Wellness programs.
- Cafeteria plans and other tax code issues.

Process



- The AA, AM and AE are **all involved** in the contract review and process.
- The process is **managed through-out the year** based on renewal date, legislative changes, timing of release, etc.
- The goal is **always to distribute plan documents within the ERISA requirement.**

RISK MANAGEMENT • EMPLOYEE BENEFITS • RETIREMENT SERVICES

Our Mission | To be the worldwide value and service leader in insurance brokerage, risk management, employee benefits and retirement services

Our Goal | To be the best place to do business and to work

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