



**TITUS COUNTY (76411401)**  
Plan Cost Summary

Begin Date: January 2015  
End Date: December 2015

2015-01    2015-02    2015-03    2015-04    2015-05    2015-06    2015-07    2015-08    2015-09    2015-10    2015-11    2015-12    Average/Total

**Claim Summary**

<b>Billed</b>	\$166,331	\$124,865	\$281,862	\$203,149	\$209,966	\$110,175	\$1,017,763	\$94,041	\$144,375	\$442,923	\$183,927	\$169,114	\$3,148,490
<b>Not Covered</b>	\$28,353	\$26,118	\$7,806	\$6,130	\$148,676	\$17,979	\$727,562	\$15,020	\$3,671	\$243,055	\$26,067	\$29,765	\$1,280,201
<b>Covered</b>	\$137,979	\$98,746	\$274,056	\$197,020	\$61,290	\$92,196	\$290,201	\$79,021	\$140,704	\$199,867	\$157,860	\$139,349	\$1,868,289
<b>Discnt Amt.</b>	\$85,562	\$54,342	\$122,454	\$66,694	\$22,324	\$43,313	\$170,376	\$30,107	\$77,092	\$106,541	\$81,842	\$75,142	\$935,788
<b>Allowed</b>	\$52,417	\$44,404	\$151,602	\$130,326	\$38,966	\$48,883	\$119,825	\$48,915	\$63,613	\$93,327	\$76,017	\$64,207	\$932,501
<b>Deductible</b>	\$5,632	\$6,802	\$4,481	\$7,440	\$8,018	\$8,685	\$6,567	\$7,884	\$3,464	\$3,280	\$4,952	\$7,549	\$74,755
<b>Coinsurance</b>	\$2,744	\$4,427	\$3,864	\$3,303	\$3,559	\$3,355	\$6,904	\$2,979	\$2,832	\$8,397	\$1,634	\$2,928	\$46,927
<b>Copay</b>	\$1,925	\$1,500	\$1,535	\$2,274	\$1,700	\$1,818	\$1,478	\$1,550	\$1,175	\$1,764	\$1,500	\$1,764	\$19,983
<b>COB</b>	\$1,176	\$946	\$0	\$325	\$43	\$25	\$17	\$334	\$1,306	\$1,314	\$0	\$0	\$5,486

**Claims Paid By Relationship**

<b>Employee</b>	\$21,290	\$19,281	\$134,453	\$106,261	\$15,874	\$23,644	\$43,656	\$23,164	\$35,921	\$44,297	\$19,084	\$37,764	\$524,689
<b>Spouse</b>	\$16,840	\$9,099	\$4,047	\$6,589	\$6,847	\$6,944	\$56,260	\$10,127	\$7,827	\$25,890	\$8,671	\$8,753	\$167,894
<b>Dep / Chd</b>	\$2,809	\$1,425	\$3,039	\$3,867	\$1,348	\$2,323	\$6,156	\$2,569	\$12,350	\$7,309	\$39,888	\$5,220	\$88,302

**Plan Payment**

<b>Total Paid</b>	\$40,940	\$29,806	\$141,538	\$116,717	\$24,069	\$32,911	\$106,072	\$35,860	\$56,098	\$77,496	\$67,643	\$51,737	\$780,886
<b>% of Chrgs</b>	24.61%	23.87%	50.22%	57.45%	11.46%	29.87%	10.42%	38.13%	38.86%	17.50%	36.78%	30.59%	24.80%
<b>SL Reimb.</b>	\$31,213	\$23,173	\$23,328	\$3,725	\$76,483	\$10,525	\$28,444	\$6,343	\$1,857	\$18,237	\$30,418	\$6,342	\$260,087
<b>Net Paid</b>	\$9,727	\$6,633	\$118,210	\$112,992	\$-52,414	\$22,387	\$77,628	\$29,517	\$54,241	\$59,258	\$37,226	\$45,395	\$520,799

**Enrollment**

<b>Subscribers</b>	133	133	133	132	132	133	134	135	136	135	134	134	134
<b>Dependents</b>	114	114	116	115	115	114	116	117	118	119	119	119	116
<b>Members</b>	247	247	249	247	247	247	250	252	254	254	253	253	250

**Plan Cost Summary**

<b>Claims Cost</b>	\$9,727	\$6,633	\$118,210	\$112,992	\$-52,414	\$22,387	\$77,628	\$29,517	\$54,241	\$59,258	\$37,226	\$45,395	\$520,799
<b>Other Fees</b>	\$15,391	\$269	\$8,508	\$138	\$255	\$727	\$494	\$1,374	\$7,130	\$593	\$650	\$651	\$36,180
<b>Rx Invoices</b>	\$24,873	\$22,823	\$20,017	\$26,093	\$21,465	\$26,670	\$25,706	\$28,496	\$24,691	\$33,029	\$34,520	\$31,373	\$319,754
<b>Admin Fees</b>	\$4,806	\$5,062	\$4,987	\$4,800	\$4,980	\$5,021	\$4,571	\$5,321	\$4,987	\$5,096	\$4,946	\$5,058	\$59,636
<b>SL Premium</b>	\$25,050	\$27,024	\$25,886	\$25,371	\$26,749	\$26,714	\$24,718	\$27,469	\$26,922	\$25,609	\$25,749	\$26,852	\$314,113
<b>Optnl Fees</b>	\$1,065	\$1,152	\$1,101	\$1,081	\$1,141	\$1,139	\$1,055	\$1,168	\$1,149	\$1,087	\$1,096	\$1,144	\$13,377
<b>Ancillary</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Total Plan Cost (Claims and Fees)**

<b>Ttl Plan Cost</b>	\$80,912	\$62,963	\$178,709	\$170,476	\$2,176	\$82,657	\$134,172	\$93,345	\$119,120	\$124,671	\$104,186	\$110,473	\$1,263,859
<b>Per Emp.</b>	\$608.36	\$473.41	\$1,343.68	\$1,291.48	\$16.48	\$621.48	\$1,001.28	\$691.44	\$875.88	\$923.49	\$777.50	\$824.42	\$9,431.78
<b>Per Member</b>	\$327.58	\$254.91	\$717.71	\$690.19	\$8.81	\$334.65	\$536.69	\$370.42	\$468.98	\$490.83	\$411.80	\$436.65	\$5,055.44



**TITUS COUNTY (76411401)**  
Plan Cost Summary

Begin Date: January 2016  
End Date: December 2016

2016-01    2016-02    2016-03    2016-04    2016-05    2016-06    2016-07    2016-08    2016-09    2016-10    2016-11    2016-12    Average/Total

**Claim Summary**

<b>Billed</b>	\$110,090	\$165,069	\$238,720	\$234,406	\$147,551	\$576,356	\$182,493	\$288,576	\$22,775	\$0	\$0	\$0	\$1,966,037
<b>Not Covered</b>	\$5,876	\$23,311	\$55,315	\$-6,800	\$33,404	\$44,768	\$29,346	\$5,865	\$-2,775	\$0	\$0	\$0	\$188,309
<b>Covered</b>	\$104,214	\$141,758	\$183,405	\$241,207	\$114,148	\$531,588	\$153,147	\$282,711	\$25,550	\$0	\$0	\$0	\$1,777,729
<b>Discnt Amt.</b>	\$64,204	\$82,848	\$89,286	\$103,760	\$50,875	\$214,005	\$79,172	\$162,017	\$9,559	\$0	\$0	\$0	\$855,727
<b>Allowed</b>	\$40,010	\$58,909	\$94,120	\$137,447	\$63,272	\$317,583	\$73,975	\$120,694	\$15,992	\$0	\$0	\$0	\$922,002
<b>Deductible</b>	\$592	\$11,518	\$15,644	\$10,291	\$6,715	\$7,665	\$11,458	\$7,550	\$1,155	\$0	\$0	\$0	\$72,588
<b>Coinsurance</b>	\$4,725	\$3,718	\$8,375	\$11,988	\$4,233	\$13,491	\$7,005	\$8,302	\$656	\$0	\$0	\$0	\$62,492
<b>Copay</b>	\$950	\$2,410	\$2,815	\$2,165	\$1,285	\$1,850	\$1,475	\$1,780	\$250	\$0	\$0	\$0	\$14,980
<b>COB</b>	\$0	\$86	\$1,909	\$0	\$42	\$569	\$35	\$131	\$0	\$0	\$0	\$0	\$2,772

**Claims Paid By Relationship**

<b>Employee</b>	\$24,269	\$26,238	\$34,610	\$19,052	\$17,735	\$40,855	\$30,870	\$46,826	\$4,331	\$0	\$0	\$0	\$244,786
<b>Spouse</b>	\$3,852	\$7,991	\$17,989	\$59,839	\$18,901	\$216,644	\$12,207	\$31,350	\$9,087	\$0	\$0	\$0	\$377,862
<b>Dep / Chd</b>	\$4,817	\$4,692	\$9,614	\$34,111	\$5,890	\$36,417	\$8,522	\$24,508	\$513	\$0	\$0	\$0	\$129,083

**Plan Payment**

<b>Total Paid</b>	\$32,938	\$38,922	\$62,213	\$113,003	\$42,525	\$293,917	\$51,599	\$102,683	\$13,931	\$0	\$0	\$0	\$751,732
<b>% of Chrgs</b>	29.92%	23.58%	26.06%	48.21%	28.82%	51.00%	28.27%	35.58%	61.17%	0.00%	0.00%	0.00%	38.24%
<b>SL Reimb.</b>	\$15,416	\$0	\$0	\$562	\$0	\$101,718	\$38,627	\$44,412	\$0	\$0	\$0	\$0	\$200,735
<b>Net Paid</b>	\$17,522	\$38,922	\$62,213	\$112,441	\$42,525	\$192,199	\$12,972	\$58,271	\$13,931	\$0	\$0	\$0	\$550,996

**Enrollment**

<b>Subscribers</b>	142	144	142	142	138	136	137	138	139	0	0	0	140
<b>Dependents</b>	129	129	129	128	121	120	122	117	114	0	0	0	123
<b>Members</b>	271	273	271	270	259	256	259	255	253	0	0	0	263

**Plan Cost Summary**

<b>Claims Cost</b>	\$17,522	\$38,922	\$62,213	\$112,441	\$42,525	\$192,199	\$12,972	\$58,271	\$13,931	\$0	\$0	\$0	\$550,996
<b>Other Fees</b>	\$754	\$38	\$3,612	\$1,373	\$1,757	\$2,314	\$36,820	\$4,095	\$0	\$0	\$0	\$0	\$50,764
<b>Rx Invoices</b>	\$26,744	\$38,046	\$27,765	\$31,350	\$29,088	\$31,051	\$23,862	\$25,830	\$14,066	\$0	\$0	\$0	\$247,803
<b>Admin Fees</b>	\$5,411	\$5,640	\$5,680	\$5,600	\$5,560	\$5,441	\$5,322	\$5,600	\$0	\$0	\$0	\$0	\$44,254
<b>SL Premium</b>	\$26,901	\$27,730	\$27,870	\$27,590	\$27,293	\$26,716	\$25,823	\$27,432	\$0	\$0	\$0	\$0	\$217,354
<b>Optnl Fees</b>	\$0	\$0	\$3,233	\$1,074	\$1,062	\$1,040	\$1,003	\$1,067	\$0	\$0	\$0	\$0	\$8,478
<b>Ancillary</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Total Plan Cost (Claims and Fees)**

<b>Ttl Plan Cost</b>	\$77,331	\$110,375	\$130,372	\$179,430	\$107,286	\$258,761	\$105,801	\$122,296	\$27,997	\$0	\$0	\$0	\$1,119,649
<b>Per Emp.</b>	\$544.58	\$766.50	\$918.11	\$1,263.59	\$777.43	\$1,902.65	\$772.27	\$886.20	\$201.42	\$0.00	\$0.00	\$0.00	\$7,997.49
<b>Per Member</b>	\$285.35	\$404.31	\$481.08	\$664.55	\$414.23	\$1,010.78	\$408.50	\$479.59	\$110.66	\$0.00	\$0.00	\$0.00	\$4,257.22





August 2016

**A renewal presentation for Titus County**

Presented to Capps Insurance Agency

by Chris Caplinger



A UnitedHealthcare Company





# Renewal Services

Customer Name : Titus County  
Plan Renewal Date : 1/1/2017

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

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

Administration and access fees	Subscribers	Current Fees	Renewal Fees	Renewal Fees
			1/1/2017	1/1/2018
Medical claims	137	\$36.68	\$37.05	\$37.45
Medical client advisor commission		Net	Net	Net
Incentivized pharmacy credit	137	(\$9.00)	(\$9.00)	(\$9.00)
Required stop loss interface fee	137	Included	Included	Included
UnitedHealthcare Choice Plus® network- access fee	137	Included	Included	Included
COBRA administration	137	\$1.10	\$1.10	\$1.12
Utilization management (UM)	137	\$1.84	\$1.84	\$1.84
Case management (CM)	137	\$1.84	\$1.84	\$1.84
NurseLine (NL)	137	\$0.53	\$0.53	\$0.53
Dental claims	137	\$3.83	\$3.83	\$3.83
Medical and pharmacy integration - per participating employee per month	137	\$1.00	\$1.00	\$1.00
Telemedicine (Teladoc)	137	\$1.50	\$1.50	\$1.50
Medical Insured Carve Out Coordination Fee	137	\$0.37	\$0.37	\$0.38
Cost reduction and savings program - large bill review/fee negotiation and secondary/travel network - % of savings	137	30%	30%	30%
<b>Subtotal</b>	<b>137</b>	<b>\$39.69</b>	<b>\$40.06</b>	<b>\$40.49</b>

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

Non-preferred vendor surcharge: An additional stop loss interface fee surcharge of \$5.00 PEPM applies if stop loss coverage is not placed with a UMR preferred vendor. This fee is in addition to the "Required stop loss interface fee" which applies for all groups. Consult your UMR representative for a list of preferred vendors.

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

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

# Additional Services

Customer Name : Titus County  
Plan Effective Date : 1/1/2017

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

Plan Administration	Current Fees	Renewal Fees 1/1/2017
Actuarially certified reserve estimate - per report and per additional breakdown	Pricing available upon request	Pricing available upon request
ID card mailing charge - employee residence	Included with medical administration	Included with medical administration
New York surcharge filing and administration - annual fee	Included with medical administration	Included with medical administration
Claim reprocessing - per claim	\$25.00	\$25.00
Subrogation - percent of recoveries	30%	30%
Federal external review for appeals - for non-grandfathered plans for adverse benefit determinations that involve medical judgment or a rescission of coverage.	Up to 5 included, then \$500.00 per review	Up to 5 included, then \$500.00 per review
Full/Partial Summary of Benefits and Coverage (SBC) creation with data UMR has on file (includes initial SBC plus one amendment, electronic version only provided to employer)	Included with medical administration	Included with medical administration
Translation of SBC into non-English text	Cost of translation	Cost of translation
Print and ship SBCs to employer at open enrollment (approval required)	Cost plus postage	Cost plus postage
Inclusion of outside vendor data in SBC in UMR standard format, e.g. carved out benefits (approval required)	\$1,000 per SBC per benefit plan	\$1,000 per SBC per benefit plan
Two or more SBC requests per year	\$500.00 per SBC per benefit plan	\$500.00 per SBC per benefit plan
<b>COBRA</b>		
COBRA initial (DOL) letters for new employees	Included with COBRA administration	Included with COBRA administration
COBRA multiple lines of administration - \$0.05 per line	Included with COBRA administration	Included with COBRA administration
<b>Reporting</b>		
Ad hoc reports and analysis - per hour (two hours included with medical administration)	\$105.00	\$105.00

# Pharmacy Pricing

**Customer Name : Titus County**  
**Plan Effective Date : 1/1/2017**

Pharmacy benefits provided through OptumRx™. The following fees apply to all retail network pharmacies, with the exception of pharmacies located in states that may elect to participate on a state-fee schedule. Fees assume the pharmacy benefits program is not a discount-card program.

The Limited Network is also available upon request and will provide additional discounts beyond the discounts outlined below. This network provides deeper discounts, but requires members to utilize a restricted network of pharmacies.

	<b>Published AWP</b>
Electronic claim adjudication - per claim <sup>1</sup>	\$0.00
<b>Retail</b>	
Brand discount, plus dispensing fee	16.75% + \$1.40
Net effective generic discount, plus dispensing fee	69.75% + \$1.40
<b>Mail Order</b>	
Brand discount, plus dispensing fee	21.50% + \$0.00
Net effective generic discount, plus dispensing fee	75.25% + \$0.00
<b>Retail 90 Rx (Optional)</b>	
Brand discount, plus dispensing fee	19.00% + \$2.00
Net effective generic discount, plus dispensing fee	69.75% + \$2.00
<b>Rebate Share</b>	
Non-incentivized rebate share (retail) - per Brand claim returned to the client	\$0.00
Non-incentivized rebate share (mail order) - per Brand claim returned to the client	\$0.00
Incentivized rebate share (retail) - per Brand claim returned to the client	\$0.00
Incentivized rebate share (mail order) - per Brand claim returned to the client	\$0.00
Premium PDL rebate share (retail) - per Brand claim returned to the client	\$0.00
Premium PDL rebate share (mail) - per Brand claim returned to the client	\$0.00

#### **Additional Programs**

Prior authorizations - per clinical prior authorization	Included
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Specialty drugs are priced on an individual drug basis, with an estimated average aggregate specialty discount around 14.5%.

Compound Drug Claim Pricing: AWP less Standard Contracted Discount + \$7.50 Dispensing fee.

#### **Rebate Fee Credit**

Titus County has elected to immediately receive the benefit of any rebate offered in the Rebate Share section above to reduce their monthly medical administration fees. Since Titus County has selected this option, 100% of rebates are retained by OptumRx, UMR is paid a service fee that is used to lower the medical administration fee. This option allows Titus County to enjoy the immediate cash flow benefit of their rebates and eliminates the six to nine month lag in receipt of rebates.

<sup>1</sup> An additional \$1.75 per claim applies to the electronic per claim fee for paper claims.



# Pharmacy Pricing

## Pharmacy Conditions

Fees proposed assume the use of OptumRx as the pharmacy benefits manager.

Retail and mail order guarantees are reconciled in the aggregate.

Rates exclude compound, Direct Member Reimbursement claims, (i.e.: Paper Claims) and Vaccines.

Administrator may change pricing (a) any time Titus County initiated changes are made to the Benefit Plan, Formulary, Pharmacy Network, or a utilization management program, that adversely impact Administrator's compensation, cost to provide services or ability to satisfy a guarantee (b) when there are changes in Laws and Regulations after the date this quote was provided that affect or are related to the services outlined in this cost proposal (c) when Titus County asks and Administrator agrees to perform any service in addition to the services outlined in this cost proposal; or (d) if there is a change in market conditions or utilization or the total number of Members decreases by 10% or more after the date this quote was provided. Any change in the pricing required by the changes will be effective as of the date the changes occur, even if the date is retroactive.

All rates, fees and guarantees are contingent upon OptumRx serving as Titus County's exclusive provider of core prescription drug benefit plan, Mail Order Pharmacy, and specialty pharmacy services from OptumRx's specialty pharmacies or any participating pharmacy in OptumRx's retail pharmacy network. Additional fees apply if another mail provider is selected.

Medicare Part D Wrap plans are required to use fixed fee pricing.

Groups with in-house pharmacies utilizing 340B or GPO pricing are required to use Fixed Fee pricing.

Rebate guarantees and generic AWP discounts may be adjusted proportional to the impact of unexpected releases of generic products to market, or the withdrawal/recall of existing branded products.

Generic discount and dispensing fee guarantees cover Multi-Source products only. A Multi-Source product is defined as one that is manufactured by more than two generic manufacturers. The brand discount and dispensing fee guarantees apply to non-Multi-Source products.

Discounts and dispensing fees exclude Specialty Drugs and certain non-specialty injectable products.

Rates for extended days' supply apply to participating pharmacies only.

Deductible integration of prescription drug and medical claims requires daily connectivity between the pharmacy benefits manager and the plan administrator, additional coordination fees apply. External vendors are subject to prior approval.

## Rebate Management Terms

All rebate guarantees are subject to the following terms:

### Non-Incentivized

Titus County's adoption, without deviation, of OptumRx's formulary and utilization management programs, as well as any changes OptumRx makes to its formulary or utilization management.

### Incentivized

Titus County's adoption, without deviation, of OptumRx's formulary and utilization management programs, as well as any changes OptumRx makes to its formulary or utilization management.

A minimum of \$10 difference in copayment, or 10% difference in coinsurance between preferred and non-preferred Brand Drugs.

### Premium PDL

Titus County's adoption, without deviation, of OptumRx's formulary and formulary exclusions, as well as any changes OptumRx makes to its formulary and formulary exclusions.

Implementation of the step therapies required by OptumRx in the following therapeutic classes: Rheumatoid Arthritis, Ankylosing Spondylitis, Plaque Psoriasis, Psoriatic Arthritis, Hepatitis-C, Multiple Sclerosis and PCSK9.

Rebate claims exclude ineligible claims, such as Prescription Claims with invalid service provider identification or prescription numbers; where, after meeting the deductible, the Member's Cost-Sharing Amount under the applicable Benefit Plan requires the Member to pay more than 50% of the Prescription Claim; that are manufacturer negotiated fee products not listed on Titus County's Formulary for devices without a Prescription Drug component; that are re-packaged NDCs: from 340B which typically receive a discount or rebate directly from Drug Manufacturers under section 340B of the Public Health Service Act, or entities eligible for federal supply schedule prices (e.g., Department of Veterans Affairs, U.S. Public Health Service, Department of Defense); or that are not for Prescription Drugs (except for insulin or diabetic supplies).

If Titus County makes any change to its Formulary, not initiated by OptumRx, or Benefit Plan, or adopts any formulary or utilization management program other than one of the options offered by Administrator under its formulary or utilization management programs, Administrator may adjust the Rebate guarantees, effective the date of the change.

## Pharmacy Pricing

"AWP" means the average wholesale price, as reflected on the Pricing Source, of a Prescription Drug or other pharmaceutical products or supplies based on the NDC of the Drug dispensed. Administrator will rely on the Pricing Source as updated by Administrator no less frequently than every seven days to determine AWP for purposes of establishing the pricing provided to Titus County under this agreement. Administrator will not establish AWP, and Administrator will have no liability to Titus County arising from use of the Pricing Source. If Administrator decides to use a pricing benchmark other than AWP or is required to do so because the Pricing Source discontinues publication of AWP and the change would materially affect Titus County's economic benefit under this agreement, then Administrator will provide Titus County with modified pricing terms at least 30 days before the effective date of the change. If the parties fail to agree upon the modified pricing terms before the effective date of the modified pricing terms, then Administrator's proposed modified pricing terms will apply until the parties otherwise agree. If the parties are unable to agree to modified pricing terms, then either party may terminate this agreement upon 60 days prior notice to the other party.



# Conditions

**Customer Name : Titus County**  
**Plan Effective Date : 1/1/2017**

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

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

All quoted product fees assume UMR administers the medical plan.

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

Fees proposed are based on the plan of benefits as submitted but does not assume duplication of benefits or provisions. Fees proposed assume a standard PPO plan design with no referral administration and no primary care physician tracking. Proposal assumes that the benefit plans will meet the steerage requirements of the networks proposed or will be changed to meet the requirements, including but not limited to; deductible, out of pocket, coinsurance and plan limitations. Plan design changes may impact a Grandfathered Health Plan status. Usage of the Choice Plus network requires employer participation in Value Based

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

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

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

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

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

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

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

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

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

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

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

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



# Conditions

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

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

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

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

UMR does not administer statutory disability benefits.

Health reimbursement account assumes 20% participation rate.

HSA trustees bill directly for HSA services.

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

# Proposed Optional Services

Customer Name : Titus County  
 Plan Effective Date : 1/1/2017  
 Subscribers : 137

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

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

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

## Care Management Services - per employee per month (PEPM)

	Included in Fee Provided	Comments/Fees
<b>Disease Management (DM):</b> · Identification and stratification · Member recruitment · Management of asthma, chronic obstructive pulmonary disease, heart failure, coronary artery disease, depression, diabetes and hypertension · One-on-one telephonic sessions with a health coach · Educational materials · Quarterly newsletters for those identified with a chronic condition · Online Internet resources · Standard reports · HealtheNotes · Predictive modeling	No	Additional charge: \$3.75 PEPM
DM quarterly newsletter (for remainder of members without a condition)	No	Additional charge: \$1.25 PEPM
<b>Disease Management (DM)-Diabetes:</b> · Identification and stratification · Member recruitment · One-on-one telephonic sessions with a health coach · Educational materials · Online Internet resources · Standard reports · Predictive modeling	No	Additional charge: \$1.30 PEPM
<b>Disease Management (DM)-Coronary Artery Disease:</b> · Identification and stratification · Member recruitment · One-on-one telephonic sessions with a health coach · Educational materials · Online Internet resources · Standard reports · Predictive modeling	No	Additional charge: \$0.40 PEPM
<b>Disease Management (DM)-Asthma:</b> · Identification and stratification · Member recruitment · One-on-one telephonic sessions with a health coach · Educational materials · Online Internet resources · Standard reports · Predictive modeling	No	Additional charge: \$0.20 PEPM
<b>Disease Management (DM)-Chronic Obstructive Pulmonary Disease:</b> · Identification and stratification · Member recruitment · One-on-one telephonic sessions with a health coach · Educational materials · Online Internet resources · Standard reports	No	Additional charge: \$0.20 PEPM

# Proposed Optional Services

<ul style="list-style-type: none"> <li>· Predictive modeling</li> </ul>		
<b>Disease Management (DM)-Heart Failure</b> <ul style="list-style-type: none"> <li>· Identification and stratification</li> <li>· Member recruitment</li> <li>· One-on-one telephonic sessions with a health coach</li> <li>· Educational materials</li> <li>· Online Internet resources</li> <li>· Standard reports</li> <li>· Predictive modeling</li> </ul>	No	Additional charge: \$0.20 PEPM
<b>Maternity Management (MM):</b> <ul style="list-style-type: none"> <li>· Identification and stratification by self referral, Web enrollment, or clinical health risk assessment (CHRA)</li> <li>· Member recruitment</li> <li>· Pre-pregnancy coaching (member self referral and CHRA)</li> <li>· One-on-one telephonic sessions with a registered nurse (OB/GYN background), one per trimester and one post-delivery call</li> <li>· Educational materials</li> <li>· Incentive reward for first or second trimester enrollees</li> <li>· High-risk referral for case management</li> <li>· Standard report</li> </ul>	No	Additional charge: \$0.60 PEPM
<b>Comprehensive Health and Wellness (HW) Program:</b> <ul style="list-style-type: none"> <li>· Identification and stratification via clinical health risk assessment (CHRA)</li> <li>· Web or paper based CHRA with mailed results packet to employee</li> <li>· Up to 10 telephonic sessions with a health coach (weight management, stress management, pre-diabetes, increasing activity, tobacco cessation and more)</li> <li>· Educational materials</li> <li>· Member recruitment</li> <li>· Online Internet resources</li> <li>· Quarterly newsletter for all eligible members</li> <li>· Actions plans (online behavioral-based educational modules)</li> <li>· Standard reports</li> </ul>	No	Additional charge: \$3.95 PEPM
Rewards and point management (must also purchase either transactional or comprehensive HW) - online tracking of program participation and incentive points earned in association with completion of CHRA, events and challenges, and action plans. Includes self-reported or batch-loaded events and challenges and reporting capabilities	No	Additional charge: \$1.65 PEPM
<b>HealthNotes:</b> <ul style="list-style-type: none"> <li>· Targeted mailings to members and providers</li> <li>· Identification of chronic condition gaps in care</li> <li>· Provide information on preventing long-term issues and avoiding health care costs</li> <li>· Identify opportunities/gaps in care through medical and/or pharmacy claim data</li> </ul>	No	Additional charge: \$0.35 PEPM
<b>HealthNote Reminders:</b> <ul style="list-style-type: none"> <li>· Targeted mailings to members</li> <li>· Reminders to discuss recommended, routine preventive care with provider</li> <li>· Targeted areas: women's health (mammography and cervical cancer screening), adolescent/childhood immunization, diabetes and cholesterol/coronary artery disease (CAD)</li> <li>· Identify opportunities/gaps in care through medical claim data</li> </ul>	No	Additional charge: \$0.13 PEPM
<b>Treatment Decision Support:</b> <ul style="list-style-type: none"> <li>· Telephonic sessions with registered nurses offering information on medical conditions/treatment options</li> </ul>	No	Additional charge: \$0.38 PEPM



# Proposed Optional Services

- Targeted areas: musculoskeletal (back pain, knee and hip replacement), men's health (benign prostatic hypertrophy, prostate cancer), women's health (benign uterine conditions), breast cancer, coronary artery disease (CAD), coronary artery bypass graft (CABG), angioplasty and bariatric surgery.

- Referral to care management programs and in-network providers
- Identify opportunities/gaps in care through medical and/or pharmacy claim data
- Standard report

<b>Emergency Room Decision Support:</b>	No	Additional charge: \$0.13 PEPM NOTE: Must also purchase NurseLine
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- Outreach to individuals who have recently visited the emergency room (ER)
- Provide information/resources to help avoid unnecessary future visits to the ER
- Two levels of outreach: IVR and calls from registered nurses
- Identified opportunities through medical claim data
- Standard report

<b>Healthy Back:</b>	No	Additional charge: \$0.50 PEPM Must have 500 or more enrollees.	Note:
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- Identify opportunities through medical and/or pharmacy claim data
- Telephonic clinical and lifestyle coaching by chiropractors and registered nurses
- Referral to quality providers focusing on conservative, nonsurgical treatment

- Identify opportunities through medical and/or pharmacy claim data
- Educational materials

## Care Management - Additional Services

	Included in Fee Provided	Comments/Fees
<b>HW transactional:</b>		
<b>Lifestyle Coaching:</b>	No	Additional charge: \$ 430.00 per case NOTE: Must also purchase CHRAs
<ul style="list-style-type: none"> <li>• Identification and stratification via clinical health risk assessment (CHRA) – CHRAs sold separately</li> <li>• Up to five telephonic sessions with a health coach (weight management, stress management, pre-diabetes, increasing activity, tobacco cessation and more)</li> <li>• Educational materials</li> <li>• Member recruitment</li> <li>• Online Internet resources</li> <li>• Actions plans (online behavioral-based educational modules)</li> <li>• Standard reports</li> </ul>		
<b>CHRA Review:</b>	No	Additional charge: \$ 130.00 per review NOTE: Must also purchase CHRAs
<ul style="list-style-type: none"> <li>• One telephonic session with a health coach to review clinical health risk assessment (CHRA) results - CHRAs sold separately. Includes biometrics screening review (if applicable).</li> <li>• Educational materials</li> <li>• Standard report</li> </ul>		
<b>Tobacco Cessation Program:</b>	No	Additional charge: \$ 430.00 per case
<ul style="list-style-type: none"> <li>• Up to five telephonic sessions with a health coach (define a personalized quit plan, educate on harmful effects of tobacco, act as an accountability partner)</li> <li>• Educational materials</li> <li>• Online Internet resources</li> <li>• Actions plans (online behavioral-based educational modules)</li> <li>• Outreach at six and 12 months to determine if member returned to tobacco (check-in only, not additional coaching)</li> <li>• Standard reports</li> </ul>		
<b>Quarterly Newsletter</b>	No	\$1.25 per newsletter per eligible member per quarter (Add on for CHRAs and/or Coaching)

# Proposed Optional Services

Nicotine Replacement Therapy (NRT) (requires purchase of Comprehensive H&W Program, Lifestyle Coaching and/or Tobacco Cessation Program)	No	Additional charge: NRT patches - \$105 per six week supply per participant; NRT gum - \$165 per six week supply per participant. The supply is an add on for Comprehensive H&W Program, Lifestyle Coaching and/or Tobacco Cessation Program.
Web-based clinical health risk assessment (CHRA) with mailed results packet to member	No	Additional charge: \$6.50 per CHRA
Paper-based CHRA with mailed results packet to member	No	Additional charge: \$13.00 per CHRA
<b>Biometrics (NOTE: Special requests or late changes may incur additional fees. Contact your UMR representative for further information.):</b>		
On-site basic lipid glucose panel - finger stick (requires minimum of 30 screens per event).	No	Additional charge: \$69.00 per participant per screening (UMR standard)
On-site basic lipid glucose panel - venipuncture (requires minimum of 30 screens per event).	No	Additional charge: \$69.00 per participant per screening (UMR standard)
On-site comprehensive biometric panel - venipuncture (requires minimum of 30 screens per event).	No	Additional charge: \$104 per participant per screening
Additional screenings to add on to on-site or walk in panels	No	Additional charge: Prostate specific antigen - \$18 per screening; Advanced thyroid - \$16 per screening; Vitamin D - \$26 per screening; Hemoglobin A1C - \$12 per screening; Cotinine - \$16 per screening.
Walk in (Off-site) - lipid glucose biometric panel venipuncture	No	Additional charge: \$82.00 per participant per screening (UMR standard)
Walk in (Off-site) - comprehensive biometric panel venipuncture	No	Additional charge: \$104 per participant per screening
Walk in (Off-site) - Full biometrics (including height, weight, blood pressure, and waist circumference) captured at select LabCorp locations	No	Additional charge: \$18 per participant (must be purchased in conjunction with biometric panel screening)
Bio IQ home kits	No	Additional charge: Fasting Lipid/glucose home kit - internet based: \$80.00 per kit; Fasting Lipid/HgA1c: \$80.00 per kit.
Health provider form (Health provider forms must be purchased in conjunction with biometric screenings.)	No	Additional charge: \$15.00 per form
on-site flu shots (require a minimum of 30 participants per two hour flu program w/ 1 RN - when flu clinics are combined with the screening event)	No	Additional charge: \$31.00 per shot
Privacy Screens	No	Additional charge: \$250 per lot (5 screens)
Nevada events (state fee)	No	Additional charge: \$700 per event
<b>Misc. transactional:</b>		
on-site Worksite Wellness Consultant: • Four hours of consultation • Provide various services to make the work environment more supportive of healthy behaviors • Individualized per customer needs • Standard report	No	Additional charge: \$2600 per 4 hours
on-site Worksite Wellness Consultant: • Eight hours of consultation • Provide various services to make the work environment more supportive of healthy behaviors • Individualized per customer needs • Standard report	No	Additional charge: \$2900 per 8 hours

# Proposed Optional Services

Real Appeal - Year-long weight loss program

- Promotional/communication assistance and materials (includes a brand manager & client manager)
- Initial, personalization session
- Weekly, Web-based group session
- Ongoing, Web-based (face-to-face) individual coaching
- Success kit (mailed to participant's home) - program success guide, nutrition guide and fitness guide, blender, body weight scale, food scale, workout DVDs, fitness band, pedometer and more
- Online/mobile tools to track nutrition and physical activity
- Standard reports

No

Session costs paid through medical claims (Contact your UMR representative for further information.)







ZURICH

MeganWalsh  
Underwriting Department  
Specialty Health  
Underwriting and Health Special Risk

Proposal for Stop-Loss Coverage  
Presented to

Titus County

August 25, 2016

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Specialties  
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Chicago, IL.60606-  
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## MEDICAL STOP LOSS PROPOSAL

Thank you for the opportunity to provide the attached Medical Stop Loss proposal for your client. Zurich understands the challenges inherent with delivering sound coverage solutions for your clients in today's ever changing marketplace. Zurich's Underwriters and Business Development Managers are here to help you meet these challenges in any way we can.

Zurich's Medical Stop Loss coverage includes the following important advantages designed to give you and your clients peace of mind.

- ✓ Zurich defers to the Plan Document. Our policy defers to your benefits plan document to determine eligible claim expenses and enrollment eligibility, thereby reducing potential gaps in coverage and any unpleasant surprises.
- ✓ Zurich provides exceptional claims handling. Our claim service is designed to be simple and fast. We require minimum necessary information to be eligible for reimbursement of a claim. In 2014, 99% of claims were processed within 10 business days, and the average turnaround time on eligible claims was three business days.
- ✓ The financial strength to deliver when it matters. Zurich is one of the largest multinational insurance providers by capitalization, and our industry financial strength ratings are among the strongest: A.M. Best A+; Standard & Poor's AA-.

Please review our proposal in its entirety and contact your Business Development Manager or Underwriter directly with any questions or to request additional options — we are here to help.





ZURICH

Zurich North America

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Issuing Carrier Zurich
Underwriter Megan Walsh
Group Titus County

Proposal No 2
Valid Thru 01/01/2017
Expiration 12/31/2017
Proposal 08/25/2016
Effective 01/01/2017

SPECIFIC STOP LOSS COVERAGE

Table with columns for Coverages, Option 1, and Medical, Rx Card. Rows include Contract Type, Annual Specific Deductible, Maximum Annual Reimbursement, Quoted Rate Per Month, and Estimated Annual Premium.

AGGREGATE STOP LOSS COVERAGE

Table with columns for Coverages, Option 1, and Medical, Rx Card. Rows include Contract Type, Loss Limit per Individual, Annual Aggregate Deductible, and Monthly Aggregate Claim Factors.

**PROPOSAL QUALIFICATIONS AND CONTINGENCIES:**

PPO Network(s): United Healthcare - Choice Plus PPO Network

For current UMR clients, the following must be received within 90 days prior to the effective date; however, a signed disclosure statement is not required : 1) Updated shock claim reports including claims in excess of 50% of the Deductible and potential large claims ; 2) UR, Precert, LCM Reports; and 3) Monthly paid claims and enrollment through nine months in the current year. This assumes the case is bound at least 60 days prior to the effective date. If a request to bind is received by Zurich less than 60 days prior to the effective date, additional large claim and paid claim updates may be required.

Retiree coverage is included. Assumes Retiree's over age 65 are Medicare Primary.

This proposal assumes transplants and transplant related services will be covered under a separate fully insured policy. Any charge which is covered in whole or in part under a transplant carve-out policy will not be considered an Eligible Claims Expense.

**The following are conditions of the stop loss proposal:**

Minimum participation level of 75% of all eligible employees is required.

This proposal is based upon continuation of the level of benefits provided at time of underwriting.

The Annual Minimum Specific Premium is the greater of 75% of the estimated annual premium or \$75,000.

The Minimum Annual Aggregate Deductible is 90% of the Estimated Annual Aggregate Deductible.

The proposal will expire on the proposed effective date of coverage.

Trade Sanctions clearance in accordance with the Office of Foreign Assets Control ("OFAC").

**The items listed below are additional conditions specific to this group:**

Specific Advance Funding is an administrative option available to all policyholders for eligible stop loss claims. Filing capabilities should be verified with the Administrator.

Claims administration performed by: UMR

UMR customers that purchase Zurich's Medical Stop Loss placed by UMR can select the No New Laser & Limited Rate Increase Option on Renewals at a reduced premium rate. This proposal is eligible for the No Laser & Limited Rate Increase option, which applies to Specific Stop Loss only and must be selected at the time of sale prior to the effective date. It may not be added after the effective date. The No Laser feature applies at the next renewal. No new lasers will be placed on the stop loss policy; however, existing lasers may remain or change. The maximum renewal increase clients selecting this option will receive is +45% (in addition to any change in contract type, deductible, or commission level).

This proposal is provided with the assumption that all claim reports provided are based upon a standard PPO plan design. If claims reported to Zurich have been paid under a current plan of benefits that includes substantial coverage limitations such as a mini-med plan, or limitations such as payment tied to Medicare Allowable, then this quote is not valid.

Detailed case management notes that include clinical information, such as primary/secondary diagnosis, dates of inpatient hospital stays, current medical status and planned course of treatment, iare required for the following:

C05003370-02

C04584824-01

This proposal includes Zurich's No New Laser and Limited Rate Increase enhancement. The No New Laser portion of the enhancement is available at no additional charge; Zurich does not laser upon renewal. The Limited Rate Increase portion is subject to an additional charge.

**Note:**

This quote has been prepared based upon the information provided. In the event of inaccurate or incomplete data, we reserve the right to modify this quote at final underwriting. Any misrepresentations or material differences in the data may void this quote and/or any resulting coverage retroactive to the Effective date.

**Market leadership**

Zurich has been providing comprehensive solutions for more than 140 years around the globe

**Financial strength**

We demonstrate strength and stability: AA- S&P and A+ A.M. Best ratings

**Industry experience**

Zurich insures 90% of Fortune 500 companies, and provides cutting-edge insights for 25 industries

**Exceptional people**

We are a values-based organization and live the Zurich Commitment in all we do, which includes acting responsibly and following our core values

**Delivering when it matters**

Customers who experience Zurich Claims service in the U.S. are twice as likely to recommend Zurich

