Mayor Edna B. DeVries
Deputy Mayor Linda Combs
Council Member Julie Berberich
Council Member Richard W. Best
Council Member Steve Carrington
Council Member Sabrena Combs
Council Member Jill Valerius

City Attorney Michael Gatti
City Clerk Norma I. Alley, MMC
City Manager Nathan Wallace

City of Palmer, Alaska
City Council Meeting
February 11, 2020, at 7:00 PM
City Council Chambers
231 W. Evergreen Avenue, Palmer
www.palmerak.org

AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
   a. **Action Memorandum No. 20-010:** Authorizing the City Manager to Negotiate and Execute a Contract with HDL Engineer Consultants LLC, Not to Exceed $37,500.00, for Engineering Services and Underwater Robotic Inspection of the Cedar (Bailey) Hills Reservoir ..... Page 3
   b. **Action Memorandum No. 20-011:** Authorizing the City Manager to Negotiate and Execute a Contract with USI Insurance Services, Not to Exceed $60,000.00 the first year, for Healthcare Brokerage Services for a Three-Year Contract ..... Page 9
2. Approval of Minutes of Previous Meetings
   a. December 10, 2019, Regular Meeting ..... Page 139
   b. January 14, 2020, Regular Meeting ..... Page 147

E. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Presentation of the Golden Heart Lifetime Achievement Award Recipients
2. Presentation from the Greater Palmer Chamber of Commerce Executive Director Ailis Vann

F. REPORTS

1. City Manager's Report
2. City Clerk's Report
3. Mayor's Report ..... Page 151
4. City Attorney's Report

G. AUDIENCE PARTICIPATION

H. PUBLIC HEARINGS

1. **Ordinance No. 20-001:** Amending Palmer Municipal Code Section 5.28 Relating to Itinerant Vendors ..... Page 153
2. **Resolution No. 19-005-B:** Amending the 2019 City of Palmer Budget for the Fiscal Year Ending December 31, 2019 ..... Page 161

I. NEW BUSINESS

1. **Action Memorandum No. 20-012:** Approving a Council Grant in the Amount of $1,650.00 to the MATSAR Search and Rescue for the Year 2020 ..... Page 169
2. **Action Memorandum No. 20-013:** Authorizing the City Manager to Enter into a Two-Year Agreement to Purchase Healthcare Insurance Coverage with Premera through the City's Healthcare Insurance Broker, USI Insurance Services ..... Page 175

J. RECORD OF ITEMS PLACED ON THE TABLE

K. AUDIENCE PARTICIPATION

L. COUNCIL COMMENTS

M. EXECUTIVE SESSION

1. Subjects That Tend to Prejudice the Reputation and Character of Any Person – City Clerk (Note: action may be taken following the executive session)

N. ADJOURNMENT

Tentative Future Palmer City Council Meetings

Meeting Date	Meeting Type	Time	Notes
Feb 25	Regular	7 pm	
Mar 10	Joint	6 pm	PRAB
Mar 10	Regular	7 pm	
Mar 24	Regular	7 pm	
Apr 14	Regular	7 pm	
Apr 21	Joint	6 pm	PZC
Apr 28	Regular	7 pm	
May 12	Regular	7 pm	Palmer High School Graduation
May 26	Regular	7 pm	
Jun 9	Regular	7 pm	
Jun 23	Regular	7 pm	

City of Palmer
Action Memorandum No. 20-010

Subject: Authorizing the City Manager to Negotiate and Execute a Contract with HDL Engineer Consultants LLC, Not to Exceed $37,500.00, for Engineering Services and Underwater Robotic Inspection of the Cedar (Bailey) Hills Reservoir

Agenda of: February 11, 2020

Council Action: ☐ **Approved** ☐ **Amended:** _____
☐ **Defeated**

Originator Information:	
Originator:	City Manager

Department Review:

Route to:	**Department Director:**	**Signature:**	**Date:**
	Community Development		
√	Finance		01/20/2020
	Fire		
	Police		
√	Public Works		01/20/2020

Approved for Presentation By:

	Signature:	**Remarks:**
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: $ **37,500.00**

This legislation (√):

	Creates revenue in the amount of:	$
√	Creates expenditure in the amount of:	$ 37,500.00
	Creates a saving in the amount of:	$
	Has no fiscal impact	

Funds are (√):

√	Budgeted	Line item(s): 24-60-01-6030: Paint Bailey Hill Reservoir
	Not budgeted	

Director of Finance Signature: _____

Attachment(s):

- HDL Engineering Bid Proposal

Summary Statement/Background:

In the Fall of 2019, it was determined by City Public Works personnel that the Cedar Hills Reservoir is leaking.

Public Works issued a Request for Bid on Dec 12, 2019 and received one (1) responsive bid from an Engineering Firm.

As part of this contract, HDL Engineering Consultants will determine the extent of the leak through an underwater robotic inspection of the interior of the reservoir, recommend an Alaska Department of Environmental Compliance approved repair plan for the reservoir and provide the City with bidding assistance in choosing the best qualified company to repair the reservoir.

Administration's Recommendation:

To approve Action Memorandum No. 20-010 authorizing the City Manager to negotiate and execute a contract with HDL Engineering Consultants.

HDL ENGINEERING Consultants LLC

January 9, 2020

Greg Wickham, Superintendent of Public Works
City of Palmer
1316 S. Bonanza St.
Palmer, Alaska 99645

RE: Request for Bids – RFB-PW-20-01
Underwater Robotic Tank Inspection (Cedar Hills Reservoir)

Dear Mr. Wickham:

CIVIL ENGINEERING
GEOTECHNICAL ENGINEERING
TRANSPORTATION ENGINEERING
ENVIRONMENTAL SERVICES
PLANNING
SURVEYING & MAPPING
CONSTRUCTION ADMINISTRATION
MATERIAL TESTING
REAL ESTATE SERVICES

HDL Engineering Consultants (HDL) is pleased to present this fee proposal for engineering services for underwater robotic tank inspection of the Cedar Hills Reservoir. We understand that the City of Palmer (City) desires a consultant to 1) Perform in-service, underwater inspection of the 250,000-gallon reservoir located near the Cedar Hills Subdivision to assess corrosion and structural integrity; 2) Prepare an inspection report with budget estimate of needed repairs; 3) Prepare a repair work plan for public bidding to address any issues uncovered by the inspection; and 4) Provide assistance during bidding of the project. We have teamed with American Marine International (AMI) to provide inspection services and estimating assistance in support of the project goals.

Firm Backgrounds

HDL Engineering Consultants

HDL has been assisting the City with improvements to their water and wastewater systems since our inception in 2001 and HDL staff has worked with the City long before that. HDL staff have been in responsible charge of over $50 million worth of design and construction projects for the City including over 25 miles of water and sewer pipeline, the City's 1 million gallon Reservoir 4 and associated pressure booster station, and master planning of City water/sewer infrastructure for the next thirty years. Additionally, prior to his employment with HDL, Chris Bowman, PE, provided design, construction administration, and oversight for two tank rehabilitation projects and two elevated pedesphere water towers in Illinois.

American Marine International

AMI has been in business for over 30 years performing underwater services in the Arctic, specializing in working in some of the harshest underwater habitats. With offices in Anchorage, Honolulu, and Los Angeles, AMI has logged over 1 million diving man-hours and underwater services with zero diving related injuries since 2008. AMI is an audited and approved contractor by the United States Commercial Diving governing body – The Association of Diving Contractors International (ADCI). AMI has the experience and capability to provide the underwater inspection services required to complete this scope of work and has the safety record to match.

Scope of Services

In support of the project goals, we propose to provide the following services:

Task 1 – Underwater Inspection and Reporting

HDL and AMI will perform an in-service inspection of the 250,000 gallon Cedar Hills Water Reservoir. AMI will prepare an inspection plan detailing pre-inspection disinfection procedures, risk assessment, areas to be inspected, and other items as required by *AWWA M42, Appendix C – Part A: Inspecting Steel Tanks, Standpipes, Reservoirs, and Elevated Tanks for Water Storage.* During our research for this proposal, we discussed the approval channels for performance of inspections such as this with ADEC regulators. ADEC stated that an inspection of an existing facility is considered "routine maintenance" and is not subject to ADEC review and approval; it is the Utility's responsibility to ensure that all maintenance activities are protective of public health. Therefore, to best support the City, HDL will act as a third-party reviewer for AMI's inspection plan and submit the HDL-Approved plan to the City for final approval.

After approval of the inspection plan by the City, AMI will perform the underwater tank inspection. We will coordinate with City personnel to ensure access to all areas of the tank as necessary, and to maintain adequate service to customers. Chris Bowman, P.E., with HDL will direct the inspection, AMI will provide two inspection technicians to operate a remotely operated vehicle. We anticipate that inspection services can be completed in a single, 8-hour day. City personnel will also be present during the inspection to provide guidance on any specific items they wish to inspect in further detail.

Following the inspection, HDL and AMI will prepare an inspection memo detailing the inspection methods, condition of interior coatings, visible leakage, structural deficiencies, health deficiencies (missing bird screens, cross connections, etc.), insulation deficiencies, and any other items of interest. We will prepare a list of prioritized repairs with an estimated cost to perform each repair and submit the report to the City as a Draft. We will make any requested revisions prior to finalizing the report.

Task 2 – Prepare Work Plan

After finalizing the inspection report we will determine which repairs can be made within the City's project budget. HDL will prepare a repair work plan to serve as a scope of work for bidding and contract documents for public bidding of the project. Similar to the inspection, ADEC stated that in-kind repairs are considered "routine maintenance" and not subject to ADEC review and approval.

To protect public health and prepare the work plan, HDL will follow guidance under *AWWA M42, Appendix C – Part B: Repairing Steel Tanks, Standpipes, Reservoirs, and Elevated Tanks for Water Storage*. The work plan will include requirements for temporary bypassing/removal from service of the reservoir, if required, methods and materials for performance of repairs, and disinfection of equipment/returning the reservoir back to service.

Concurrently with preparation of the work plan we will prepare a project manual based on the City of Palmer Standard Specifications (CPSS) complete with special provisions and a bid schedule for the proposed work. We anticipate that the bid schedule will be an itemized list

of repairs such as welding, caulking, plate steel replacement, and approximate lineal and square footage of each item to be performed.

Task 3 – Bidding Assistance

HDL will assist the City in bidding the project and getting the successful bidder under contract for the work. On behalf of the City, we will prepare the invitation to bid, public notices, respond to bidders' questions, conduct a pre-bid conference, issue up to one written addendum, tabulate bids, check proposals for completeness, review bonding and insurance submittals, and provide a written recommendation for award to the City based on the lowest responsive bid.

Assumptions

The following assumptions were used to prepare this estimate:

1. Preparation and submission of a temporary water service plan is not included.
2. Testing and analysis of reservoir steel plate thickness is not included but can be added by contract amendment.
3. Testing of coating thicknesses and composition for compliance with current AWWA coating standards is not included. Our inspection report will note areas of coating delamination, scaling, and rusting/pitting.
4. Assessment of reservoir structural integrity assumes that the reservoir was structurally sound when built from both a seismic and general structural standpoint. Assessment will be limited to superficial items such as buckling/cracking of internal structural members, missing bolts or rivets, excessive surface rusting and pitting, and other items that can be identified during the inspection. Calculation of the structural integrity of the reservoir is not included.
5. The work plan will detail repairs needed for the reservoir and will not include detailing of new appurtenances or in-kind replacement of the entire reservoir. We anticipate that the work can be accomplished using photos and diagrams developed from the inspection report and will not require project drawings.
6. Repairs to the reservoir will consist of general maintenance items such as minor coating patches, small leak repair, or other "in-kind" replacements, and will not be subject to ADEC review. If ADEC review is required of the project due to larger repair items such as complete recoating of the tank or addition of tank appurtenances, an amendment will be required to more completely detail these items and prepare an ADEC Approval to Construct package.
7. The project will be bid as a single package, one time.
8. Assistance during construction is not included but may be added by contract amendment.
9. AMI involvement in inspection will not preclude them from bidding on repair work for the reservoir.

Schedule

Assuming receipt of notice to proceed (NTP) in mid-February we anticipate work to be completed according to the estimated timeline below:

Item	Date
Notice to Proceed	February 12, 2020
Submit Inspection Plan to HDL	March 2, 2020
Inspection Plan Approved by City	March 15, 2020
Reservoir Inspection (estimated)	April 1, 2020
Draft Inspection Report	April 15, 2020
Final Inspection Report	May 1, 2020
Draft Work Plan/Bidding Documents	June 1, 2020
Final Work Plan/Bidding Documents	June 8, 2020
Bidding Assistance (21 Days)	June 9 - June 30, 2020
Bid Opening	June 30, 2020
Construction	Depends on Work Required/ADEC Approval

Anticipated delivery dates could be affected by extended or delayed reviews of submittals by City staff or ADEC, or by significant revisions requested by the City or other review agencies.

Fee

We propose to provide the aforementioned services for a lump-sum cost of **$37,500**.

We appreciate the opportunity to provide this proposal and look forward to assisting the City with this important project. If you have any questions, please contact me at 746-5230.

Sincerely,

HDL Engineering Consultants, LLC

Chris Bowman, P.E.
Senior Civil Engineer

City of Palmer
Action Memorandum No. 20-011

Subject: Authorizing the City Manager to Negotiate and Execute a Contract with USI Insurance Services, Not to Exceed $60,000.00 the first year, for Healthcare Brokerage Services for a Three-Year Contract

Agenda of: February 11, 2020

Council Action: ☐ **Approved** ☐ **Amended:** _____
☐ **Defeated**

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
	Community Development		
√	Finance		01/21/2020
	Fire		
	Police		
	Public Works		

Approved for Presentation By:

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: $ **60,000.00**

This legislation (√):

	Creates revenue in the amount of:	$
√	Creates expenditure in the amount of:	$ 60,000.00
	Creates a saving in the amount of:	$
	Has no fiscal impact	

Funds are (√):

√	Budgeted	Line item(s): Various Lines
	Not budgeted	

Director of Finance Signature: _____

Attachment(s):

- USI Insurance Services Proposal
- Draft Agreement

Summary Statement/Background:

During the 2020 budget development and subsequent budget hearing, it was determined that the City's healthcare insurance, rising premiums, and the Alaska Public Utility Insurance Trust was no longer sustainable for the city.

Human Resources issued a Request for Proposals on November 25, 2019.

Five proposals were received with one disqualified for missing submittal page IV (unsigned). Four proposals were reviewed and scored based on criteria listed in the Request for Proposal. USI Insurance Services scored the highest and Marsh &McLennan Agency was the next qualified proposer.

The City entered into discussions with USI Insurance Services, the most qualified proposer, and those discussions resulted in a fair and reasonable contract.

The first year of the contract is in the amount of $60,000, year 2 will be $50,000 and year 3 will be $45,000.

Administration's Recommendation:

To approve Action Memorandum No. 20-011 authorizing the City Manager to negotiate and execute a contract with USI Insurance Services for a three year contract.

USI Insurance Services
3800 Centerpoint Drive
Suite 540
Anchorage, AK 99503
www.usi.com
Tel: 885.875.1300

December 18, 2019

The City of Palmer
Attn: Kimberly Green, Human Resources

Palmer, AK 99645

Re: Request for Proposal for Healthcare Insurance Brokerage Services, 20-01HR

Dear Kimberly:

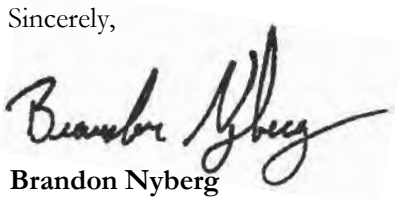
Thank you for offering USI the opportunity to respond to the City of Palmer's ("the City") request for proposal. We appreciate the insights your RFP has given us into your current benefit program, culture and service needs. As your broker, we will continue to work with you to build a strong, collaborative and strategic plan that incorporates both short- and long-term organizational goals designed to provide optimal value for the City and its members. Further, we are confident we can help guide you smoothly through any changes you may wish to implement, and we look forward to being a reliable, dynamic partner and advocate for you and your organization.

Throughout our proposal, we have highlighted the experience, philosophies, resources and services we believe most distinguish us from our competitors, and which will allow us to best support the needs of the City, the City Manager, City Staff representatives, and the City's employees.

USI's Anchorage office will provide direct service to your account with additional technical resources provided by our Seattle office. On behalf of the City, USI has negotiated a premium holiday for 2020 and 2021 which would save the City over $300,000. USI has also negotiated a 9.5% rate cap for 2021, locked in the provided proposal until March 1, 2020 and has presented the City with a total savings of $, based on a $500 deductible plan or $ based on a $1000 deductible plan.

We look forward to the next steps in the selection process. Please do not hesitate to contact us with any questions you may have. Thank you for your consideration.

Sincerely,



Brandon Nyberg
Senior Vice President &
Lead Employee Benefits Consultant
Direct: 360.787.9850
Email: Brandon.Nyberg@usi.com

Proposal for Healthcare Insurance Brokerage Services
Prepared for

City of Palmer, Alaska

December 19, 2019

Submitted by:

Brandon Nyberg
Senior Vice President
Lead Employee Benefits Consultant

Direct: 360.787.9850
Email: Brandon.Nyberg@usi.com

USI Insurance Services
3800 Centerpoint Drive, Suite 540 | Anchorage, AK 99503

www.usi.com

THE USI ONE ADVANTAGE®

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EXECUTIVE SUMMARY

Thank you for offering USI the opportunity to respond to the City of Palmer's ("the City") Employee Insurance and Benefits Agent of Record request for proposal. Within this summary, as well as throughout the body of our proposal, we've highlighted the philosophies, resources and service offerings we feel most differentiate us from our competitors, and which will allow us to best support the needs of the City, the City Manager, City Staff representatives, retirees (if applicable), and its employees.

We look forward to working together with the City to better understand your short- and long-term benefits goals, and we are dedicated to helping you build a strong, collaborative, strategic plan.

One of USI's most meaningful distinctions as an insurance brokerage and consulting firm is the USI ONE Advantage®, which integrates proprietary analytical tools with a national network of highly-consultative, closely linked professionals and technical resources to deliver local, knowledgeable, hands-on service and ongoing expertise and support. This powerful combination yields a robust set of fundamentally different benefit solutions with superior results—including meaningful bottom line financial impact for our clients.

Leveraging the power of the USI ONE Advantage®—and working at all times to promote the City's interests and to help achieve your objectives—your dedicated USI team will:

- Develop a thorough understanding of the core values and unique characteristics of the City and its business;
- Utilize the USI Pharmacy Consulting team which has years of experience managing PBMs and has transitioned over 10 million lives and has accomplished significant cost reduction for numerous clients across the country;
- Complete an advanced analysis of the City's claims data, provide insight into trends and illustrate how the City compares to its peers in the market,
- Assist the City in proactive claims management including high-cost claims;
- Offer proactive, creative and timely solutions aimed at controlling costs, alleviating workload pressures placed on HR professionals, educating employee groups and exploring cost-containment measures which save the City money without having to pass expenses on to its employees;
- Advocate for your interests by maximizing regional and national resources and influence;
- Collaborate with you to develop both short and long-term strategic solutions based on evidence, analytics, negotiation and education;
- Present integrated solutions—including wellness programs and creative plan design options—to manage the health risk of your population while creating better, more educated health care consumers;
- Leverage the strength of our large book of business throughout the bid and renewal negotiations process in order to procure the very best administrative, claims cost and customer service commitments from carriers and vendors;
- Protect the interests of the City as they relate to compliance, claims dispute resolution and carrier demands;
- Guide the City as it navigates the health and welfare benefits industry—as well as Health Care Reform—ensuring that all programs and practices are up to date and compliant; and
- Provide the City with a competitive, transparent consulting and brokerage arrangement with no hidden fees or surprises.

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SCOPE OF SERVICE CHECKLIST

USI's Alignment with the City's Requested Scope of Work

USI is committed to providing the staff and resources necessary to perform the services described in the City's RFP over the life of the anticipated contract. The chart below illustrates the alignment of USI's services, capabilities and experience with the City's requested *Scope of Services* as delineated in your RFP.

The City of Palmer's Service Expectations	USI Exceeds Criteria
In advance of expiration date and/or anniversary date of each policy, Broker of Record shall research and evaluate all markets, including present insurer(s), and apprise the city, well in advance of expiration and/or anniversary or coverage availability, choices, costs, recommendations, change in terms and conditions, status of insurer(s), etc.	✓
Submit written comparison of benefits and pricing between current program and prospective plans to the City Manager and make recommendations.	✓
Prepare and present a written report to the City Manager each quarter, specifying activities completed on behalf of the City.	✓
Inform the City Manager of changes in insurance market conditions, status of insurers, legislative activity and laws as these may affect the City of Palmer.	✓
Seek information from the insurance industry and other sources regarding the availability of products, coverage, rating information, licensing data, etc., which may assist and/or affect the City of Palmer.	✓
When marketing coverage, research markets and submit bid specifications to licensed prospective insurers at least 150 days before Medical/Dental coverage and 90 days for Life, AD&D and disability coverage in advance of anniversary date.	✓
Oversee implementation of insurance carrier changes, if any, including but not limited to: re-enrollment (if necessary), employer application submission, summary of coverage preparation (if necessary), employee application submission, summary of educational meetings required, assist in proofing any master policies and employee certificates, assist in procuring ID cards (if applicable). Overall, seeing to it that the new insurance carrier meets established deadlines worked out in advance for all stages and steps of transition.	✓
Assist the City with any claim billings, administrative or other problems that may occur during coverage periods.	✓
Assist in procuring stop loss reimbursements, if any and applicable.	✓
Provide estimated expenditures for employee benefit programs to the City in time for fiscal year budget submissions as required. (Annually before Nov 1st)	✓
Review year-end settlements from insurance carriers, if any.	✓
Provide, after fiscal year ends, a commission settlement and make final reparation to city if commissions exceed agreed upon fee within 30 days of calculation.	✓

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The City of Palmer's Service Expectations	USI Exceeds Criteria
Periodic review of city employee insurance and benefit coverage and loss data for purposes of making recommendations to the city with respect to the need for ancillary insurance services, additional insurance coverage and modifications, updating or upgrading of existing coverage(s).	✓
OTHER CONDITIONS	
Apprise the City Manager of changes in the status of all licensing, including whether representation of an insurer of City coverage has terminated or whether any disciplinary action is pending before a regulatory agency.	✓
Advise on any substantive complaints received from persons covered under the City's insurance programs.	✓
Broker of Record shall perform all duties and responsibilities usual to those of an insurance agent, broker, certified insurance consultant, including duties and responsibilities usual to all other licenses required in the transaction of business on behalf of the City of Palmer.	✓

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GENERAL INFORMATION

The City of Palmer's account will be served by dedicated team members based in USI's Anchorage office and our Seattle office. Brandon Nyberg and HyoJin Woo will be the City's day-to-day contacts.

Anchorage: 3800 Centerpoint Drive, Suite 540 | Anchorage, AK 99503
Phone: 907.272.0114 | Fax: 855.216.9729 | www.usi.com

Seattle: 601 Union St., Suite 1000 | Seattle, Washington 98101
Phone: 206.441.6300 | Fax: 877.678.5844 | www.usi.com

Established in 1994, and headquartered in Valhalla, New York, USI Insurance services ("USI") began as a single office with 40 associates and annual revenues of $6.5 million. Over the past two decades—through both sustainable, organic growth and a series of strategic acquisitions—USI has evolved and expanded to become the largest privately-held broker of U.S. business[1] and the 9th largest insurance broker in the world,[2] with annual revenues approaching $2 billion.

Since its inception, USI has been dedicated to creating value, managing risk and building net worth for companies and individuals alike by providing world-class knowledge and service in:

- Employee Benefits Brokerage and Consulting
- Retirement Consulting
- Commercial Property & Casualty Brokerage and Risk Management Consulting
- Personal Risk

As a national network of brokerages, USI has access to a comprehensive range of products and services, while our local offices and long-standing ties to the communities in which we live and do business allow us to offer a level of client focus and knowledge that's frequently more closely associated with regional boutique firms.

Ownership & Organizational Structure

USI Insurance Services, LLC is an operating company wholly owned by USI, Inc.—which, in turn, is majority owned by USI Advantage Corp., which is controlled by entities affiliated with Kohlberg Kravis Roberts & Co. L.P ("KKR"), and Caisse de Dépôt et Placement du Québec ("CDPQ"). The remaining shareholders are USI executives and employees, who not only have financial stakes in the company, but also retain decision-making responsibility with respect to day-to-day operations and client engagement.

USI is an independent broker and consultant not affiliated with any insurance company, third-party administrative agency or provider network.

Today, USI employs more than 6,000 associates in over 150 offices across the country, delivering services to all 50 states—and beyond. In the Northwest region which includes Alaska, Washington and Oregon, USI employs 350+ employees.

[1] Internal estimates based on competitive analysis.

[2] Business Insurance Broker Trends & Profiles, 2017 Agents and Brokers Rankings Directory (World's 10 Largest Insurance Brokers).

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Our Anchorage Office & Seattle Office

Originally established in 2001 as part of Wells Fargo's network of brokerages, USI's **Anchorage** office has been serving businesses and organizations in Alaska and beyond for more than a decade. It is staffed by industry professionals with over 70 years of combined experience in helping their clients with the strategic implementation and administration of their benefits programs. USI acquired the **Anchorage** location, along with 40 other offices across the country, from Wells Fargo in May of 2014 to support the strength of our commitment to addressing the unique and specific needs of regionally based companies and organizations.

Founded in 1972 as Kibble & Prentice, USI's **Seattle** office began as a small, local firm offering life insurance and estate and business succession planning, as well as private client services. In 2006, Kibble & Prentice became a wholly owned subsidiary of USI. Additionally—in late 2017—USI acquired the remainder of Wells Fargo Insurance Services USA ["WFIS"] to enhance USI's industry presence—including in the Pacific Northwest—and augment our knowledge, resources and expertise to better serve our clients.

The **Anchorage** office is part of USI's Northwest region, which is home to over 420 industry specialists and professionals, with associates distributed across regional offices in Alaska, Idaho, Oregon and Washington.

Services provided to the City will be led by our USI **Anchorage** office with additional technical resources provided by our **Seattle** office.

USI's **Anchorage** office is staffed by industry professionals with over 70 years of combined experience in helping their clients with the strategic implementation and administration of their benefits programs. USI is ranked among the top five employee benefits firms in Alaska (by Employee Benefits Adviser).

Our **Seattle** office, which also serves as USI's Northwest regional headquarters, is home to over 350 industry specialists and professionals. USI offices are composed of industry specialists and professionals whose roles fall into management, sales, technical, customer service, and administrative categories.

Employee Benefits Practice

USI is the 5th largest benefits broker ranked by global benefits revenue[3], and was ranked #3 in the large-group category on *Employee Benefit Adviser's* January 2018 list of Top 50 Benefit Brokerages of 2017.[4] Also according to *Employee Benefit Adviser*, USI is among the top 5 benefits brokers serving the healthcare and social assistance industry[5] and was the #2 large-group benefits broker in Alaska in 2017 (2018 rankings were not released).

At the national level, USI currently helps over 11,200 clients with the strategic implementation and ongoing management of their employee health and welfare benefit plans. Of those, 995—representing nearly 632,200 employees—are served by the Northwest region.

Philosophy & Culture

We are dedicated to providing our clients with access to an unsurpassed variety of premier benefits, insurance and risk management solutions. We offer a unique, holistic approach that's backed by a powerful assemblage of resources, paired with industry expertise and creativity, and delivered with attentive, timely, courteous service.

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

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

[3] Business Insurance, 2018 Broker Profiles & Rankings (Largest Benefits Brokers).

[4] Leading firms ranked exclusively on health and welfare revenue and based on Form 5500 reporting data.

[5] Employee Benefit Adviser, Top 5 brokerages in 18 industries across the U.S. (November 2018).

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

Our Commitment to the Community

Over the years—in support of our commitment to the communities in which we live, work and do business—we have donated hundreds of thousands of dollars to numerous organizations and business partners, with a focus on: helping families in need, healthcare, disease research and the arts. In 2018 alone, USI's Northwest region gave $800,000 in in charitable contributions and sponsorships to 157 organizations across Alaska, Washington and Oregon.

Additionally, at least 50% of our associates regularly volunteer their time to the organizations of their choice, and nearly 15% of our associates hold leadership, board or committee positions with regional non-profit organizations.

To further facilitate our associates' involvement in the community, we allow them to use up to five paid hours each month for hands-on volunteer service, and our volunteer committee both provides information about volunteer opportunities and sponsors quarterly firm-wide volunteer or fundraising events.

Marketplace Visibility & Leverage

As mentioned previously, USI is the largest privately held broker of U.S. business and the 9th largest insurance broker in the world, with annual revenues approaching $2 billion and more than 6,000 associates in over 150 offices across the country, delivering services to all 50 states.

We understand you need a broker who offers not only personal, customized service, but also significant leverage in the marketplace. Your account team is dedicated to your long-term success and to creating the best value for your organization, and as part of a national network of brokerages, we have unique access and influence when negotiating on your behalf. Our elite market position, size, volume of business and market reputation allow us to provide access to proprietary products and competitive pricing from many of the top insurers, including preferred contracts and relationships with major stop-loss, life and disability carriers—as well as administrators—across the health and welfare industry.

Our market access is additionally bolstered by our membership on the board of each of the major national and local health insurance companies' broker advisory panel. These broker advisory panels, in addition to the preferred contracts and relationships described above, provide us with the forum to share our clients' concerns, discuss policy changes and offer feedback in a unique and influential way.

These major carrier advisory boards and national broker forums include:

- AETNA
- Assurant Life
- CIGNA
- Delta Dental of Washington
- Group Health
- Kaiser
- MODA Health
- PacificSource
- Premera
- Regence
- United Healthcare
- Unum

We believe these close relationships with carriers are additionally advantageous to our clients because they afford us the opportunity to bring added value through insight and perspective regarding carrier approaches, policies and practices, while simultaneously increasing our ability to deliver expanded capabilities, better negotiations and greater market presence.

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FIRM'S BACKGROUND & EXPERIENCE

USI—and members of the City's proposed account service team, specifically—has extensive experience in collaborating with the state risk manager and other authorities to ensure all requirements pertaining to cities and municipalities are fulfilled, and all documentation is appropriately filed.

At the national level, USI serves 889 municipal government clients with various types of insurance programs. 383 of those are employee benefits clients with more than 15 in the state of Alaska, specifically, with combined employee benefits and commercial insurance coverages.

When working with cities and municipalities, our approach and guidance is based on the understanding that there is no ERISA preemption when dealing with a government entity, meaning various state insurance mandates will apply to group health plans, even if self-funded.

Among other things, such arrangements must:

- Be approved by the state risk manager;
- Provide an annual report to the state risk manager;
- Meet certain funding and reserve requirements; and
- Have aggregate stop loss insurance.

The proposed benefits consultants for the City—along with other proposed service team members—bring a combined 50+ years of experience in serving clients similar in industry, size and complexity, including cities, counties and Tribal governments, as well as public: ports, school districts, library systems and hospital districts.

Qualifications of Team

Brandon Nyberg, Senior Vice President, will serve as the City's primary point of contact, with overall responsibility for the relationship. Senior Account Manager, **HyoJin Woo,** will collaborate with Brandon, and other team members to address your day-to-day needs with additional assistance from Senior Account Executive, **Barbara Stott, PHR, RHU**. **Mary Ann Wolf** will serve as your Account Administrator, supporting Brandon, HyoJin and Barbara, and responding directly to inquiries and requests from the City during times when other team members may be out of the office.

Full-length biographies and tenure for core team members, as well as specialists and technical resources, are included as Appendix 1. The team structure is reflected in the organizational chart below.

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The City's USI account team will draw upon the extensive specialist knowledge and insight of these USI in-house and regionally based resources:

- Benefits Counsel & National Compliance Team Leader, **Alicia Scalzo Wilmoth, J.D.**
- The Analytical Services Team, led by **Carole Riley** and **Jon Merrill, M.A.**
- Senior Wellness Consultant, **Alicia Kelsey**
- The Benefit Resource Center, led by **David Cullum**
- Chief Medical Officer, **Dr. Stan Flemming, D.O., M.A.**
- Voluntary and Executive Benefits Consultant, **Miles Craigwell**
- Nat'l Practice Leader, HR Technology, **Anne Burkett, CEBS, SHRM-CP, PHR**
- Actuarial Services Team, led by Nat'l Practice Leader & Chief Actuary, **Nick Allen, FSA, FCA, MAAA**
- Retirement Plan Consultant & Investment Advisor, **Jamie Frits** of *USI Advisors, Inc.*

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EXPERIENCE WITH MUNICIPALITIES/BOARDS OF EDUCATION

As previously mentioned in our proposal, at the national level, USI serves 889 municipal government clients with various types of insurance programs. 383 of those are employee benefits clients with more than 15 in the state of Alaska, specifically, with combined employee benefits and commercial insurance coverages.

A key differentiator between the proposed USI service team for the City and the teams that other brokers may propose, is the added support and expertise we're able to provide as the result of the qualifications and experience of **Brandon Nyberg**. His extensive backgrounds working in the public sector and with clients in private industries, coupled with their credentials makes him uniquely well-positioned to provide robust, on-going, highly relevant and timely support to the City's HR team and benefits committee. The entire proposed team's experience includes program and financial analysis, marketing, carrier negotiations, alternative funding arrangements and benefit options and compliance and regulatory requirements.

We have thoughtfully assembled a dedicated service team that has both the capacity in workload and expertise with public entities to best serve the City to meet your requirements including any projects considered by the City to be complex or demanding tight deadlines.

Our service team will provide the City, its benefits committee and its employees with industry expertise and creativity while delivering attentive, timely, and courteous service even on short notice. We will protect the interests of the City as they relate to compliance, privacy, security, claims dispute resolution and carrier demands.

We have provided contact information for references the City may contact in our response to the following question. The representative listing below is not intended to be a complete list of references. To respect our clients' privacy, we ask that the City contact us before reaching out to any of these clients listed below. Should the City wish to contact any of these other clients, we will happily provide contact information upon request.

USI provides these clients below with our complete suite of employee benefits consultant and broker services. The majority of these public entities are governed by joint labor or management benefits groups, such as committees or trusts.

The representative list below includes USI's public sector Employee Benefits clients specifically.

- City of Homer
- City of Kenai
- City of Puyallup
- City & Borough of Sitka
- City & Borough of Wrangell
- City of Unalaska
- Unalaska City School District
- Galena School District
- Ketchikan Gateway Borough & School District
- Cordova School District
- Municipality of Skagway
- Petersburg Borough
- Petersburg School District
- Wrangell School District
- City of Barrow
- City of Seward

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The City is invited to contact these USI references below. Additional references available upon request.

City of Kenai — 3 years as client

Contact: Terry Eubank, Finance Director

☎ (907) 283-8227 | ✉ teubank@kenai.city

210 Fidalgo Ave. | Kenai, Alaska 99661

City of Homer — 3 years as client

Contact: Andrea Browning, Human Resources Director

☎ (907) 435-3103 | ✉ abrowning@ci.homer.ak.us

491 E. Pioneer Ave. | Homer, Alaska 99603

Ketchikan Gateway Borough & School District — 4 years as client

Contact: Cynna Gubatayao, Finance Director, Borough

☎ (907) 228-6649 | ✉ cynnag@kgbak.us

1900 First Ave., Suite 118 | Ketchikan, Alaska 99901

Galena City School District — 13 years as client

Contact: Greg Culbert, Assistant Superintendent

☎ (907) 374-2200 | ✉ Greg.Culbert@ideafamilies.org

P.O. Box 299 | Galena, Alaska 99741

Petersburg Borough — 8 years as client

Contact: Debra Thompson, Deputy City Clerk

☎ (907) 772-4425 ext. 21 | ✉ dthompson@petersburgak.gov

P.O. Box 329 | Petersburg, Alaska 99833

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RELATIONSHIPS

The top three carriers utilized by USI in the Northwest region include (in alphabetical order) Aetna/Meritain, Premera and UHC.

As with all aspects of our brokerage and consulting approach, the needs and requirements of the client are the primary driving force behind the selection of carriers and other vendor partners. As independent consultants not affiliated with any insurance company, third party administrative agency or provider network, USI is at liberty to pair clients with the service providers that best align with the client's organizational culture, plan requirements and budgetary goals. Our independence also allows us to encourage competition in the marketplace, which—in turn—frequently yields better pricing and other considerations for our clients.

As a national network of brokerages, USI has access to and is authorized to do business with all insurance carriers, TPAs and other service providers in the health and welfare benefits marketplace. While USI maintains strong relationships with many, there are no markets that we wouldn't evaluate on behalf of the City.

USI places in excess of $13 billion in premium annually and currently helps over 12,100 clients with the strategic implementation and ongoing management of their employee health and welfare benefit plans. Of those, nearly 1,000—representing more than 632,190 employees—are served by the Northwest region. This volume of business placed affords us broad access to individual insurers, as well as insurance company decision-makers, and we enjoy deep, established with all the major carriers.

As a national network of brokerages, USI has access to and is authorized to do business with virtually all insurance carriers, TPAs and other service providers in the health and welfare benefits marketplace. Individual consultants are appointed as necessary, in order to best serve the needs of their clients.

While we maintain strong relationships with many, there are no markets that we wouldn't evaluate on behalf of the City.

As with all aspects of our brokerage and consulting approach, the requirements of the client are the primary driving force behind the selection of carriers and other vendor partners, and—as an independent broker not affiliated with any insurance company, third-party administrative agency or provider network—USI is at liberty to pair clients with the service providers that best align with the client's organizational culture, plan requirements and budgetary goals. This approach also allows us to encourage competition in the marketplace, which—in turn—frequently yields better pricing and other considerations for our clients.

How USI Monitors Insurer Solvency

USI monitors insurance carriers' financial positions as they are submitted to the State Insurance Divisions as well as reviewing their AM Best ranking.

We consider monitoring the performance and service levels of your insurance carriers and other vendors to be an essential component of the services we perform, and we employ a multitude of methods for doing so, in order to ensure that our recommendations are able to meet the financial and service obligations of our clients.

Our monitoring process actually begins well in advance of the client's selection process and takes into account various "hard data" factors like a vendor's financial rating. In addition to objective, numbers-based criteria, we consider our clients' previous experiences with the vendor and our own, ongoing and emerging experiences with the vendor, as well as the general reputation of the vendor in the marketplace.

Among the criteria we consider when monitoring and selecting vendors are:

- Claims adjudication based on outside audit criteria
- Timely claim processing (number of claims and amount)
- Employee I.D. cards issued in a timely fashion

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- Employee and Employer access to claims information
- Response time to inquiries
- Timeliness of reporting
- Staff assignments including a number of cases handled by staff members
- Enrollment timeline
- Availability and willingness to meet client's expectations
- Network access
- Customer retention, technical support and technical capabilities
- The offering of performance guarantees

After installation—using measurement criteria established prior to contract initiation—we review vendor performance at pre-determined times throughout the course of the year. Any disparities are examined for cause and corrected or addressed.

Our vendor management philosophy is based upon the creation of an open and interactive relationship with carriers and other partners—an approach we feel facilitates the best possible experience for the City and your plan participants. In support of our approach, we require strong, proactive account management from your vendor partners and expect them to have routine conversations with us about their products, offerings and ongoing service. In addition, our strategy includes a significant focus on negotiating performance guarantees that are both specific and meaningful—targeting the client's desired areas of improvement for each individual carrier/vendor.

Further—because USI sits on every major national and local insurance company's broker advisory panel—we have the ability to have direct, ongoing, senior-management-level dialogue with carriers regarding policy, service and client experiences. And, when necessary, our size, reputation and standing allow us to take an assertive—but respectful and professional—position with vendors in order to advocate or intervene on your behalf.

Additionally, your account team will regularly review Benefits Resource Center reporting to ensure that your employees' carrier inquiries and claims disputes are being addressed thoroughly and in a timely fashion, and are not indicative of any larger carrier issue that may be affecting multiple clients.

Method of Compensation

We are open to the compensation arrangement and timing that best meets the needs of the City whether that is an annual fee, commission percentage built into your insurance premiums, a per employee per month (PEPM) fee, or any combination thereof. Regardless of funding method, all commissions and fees are discussed and agreed upon up front, and cover any services the City and your USI account team build into your Service Agreement and Service Calendar.

Given our initial understanding of the City's requirements, and based on our experience with similar organizations, we propose to provide all employee benefits services described throughout our proposal for an annual fee of $60,000 or $5,000 per month. Future fee increases will be mutually agreed upon COLA, for the subsequent contract years. Please note, our proposed fee includes the City's current medical/dental/life, etc., programs. The industry standard commission is 5% of annualized premium. **Based on USI's proposed fee, compensation would be equivalent to just over 3% of annual premium.**

We look forward to the opportunity to continue our conversation with the City in order to further refine this figure—if necessary—and to determine the appropriate compensation funding approach.

When determining fee level, we use an in-house pricing tool that projects costs based on:

- Scope of services
- Frequency of benefit committee meetings
- Number of employees/payroll
- Level and types of enrollment in benefits plans

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- Number of benefits plans
- Number of divisions
- Expected growth
- Financial and risk preferences
- Analytical depth and utilization of data analytic tools
- Communication frequency, medium and style
- Technology resources
- Compliance needs

We first use the tool to identify the proper compensation and then work with you to determine the best funding method.

We will not engage any third-party provider on the City's behalf without first discussing the services to be provided—along with the associated cost—and obtaining written permission from the City. This may include, for example, services provided by external agencies and/or third-party vendors such as design and printing of especially complex custom communication pieces, exceptionally involved actuarial calculations not covered by the scope of the agreement with our consulting actuary, or independent claims audits for self-insured plans.

USI regularly shares service fee levels with our clients. At USI we focus on complete transparency when discussing fees and commissions with our clients. When beginning a new partnership between USI and the City we will create a Service Agreement, where both parties gain a clear understanding of the compensation structure.

USI has entered into agreements with certain insurance companies that may pay additional compensation (monetary and non-monetary) based in whole or in part on the insurance contracts we sell. This additional compensation is not client- or policy-specific. These agreements are contingent upon volume of business and/or profitability of insurance contracts we supply to them and/or other factors in accordance with agreements we may have with them relating to all or part of the business we place with those insurers or those intermediaries.

These agreements do not impair our objectivity nor deter us from our commitment to provide the best combination of service, price and benefits to our clients. In fact, any payments received from carriers—but not tied to specific clients—are not disclosed to your USI consultants or account team, and do not affect their commissions or compensation, thereby allowing them to continue to remain entirely objective and focused on finding the solutions that work best for each client's individual needs and budget.

The City may obtain information about the nature and source of such compensation upon request.

In keeping with our organization's stance on transparency, the Service Agreement between USI and the City will clearly state the compensation approach to be used and estimate the future annual dollar amount for each type of coverage, be it fee-based or commission-based. This amount will be reviewed with you each year, both as a part of the 5500 submission and as a part of planning relative to future compensation to be charged in the upcoming benefit year. As part of our 5500 package, we include each carrier's original Schedules A or C outlining enrollment numbers and commissions paid to our firm.

Regardless of funding method, all commissions and fees are discussed and agreed upon up front and cover any services the City and your USI account team build into your Service Agreement.

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CHANGE OF CARRIERS

Contracts and Benefit Summaries

The City's USI service team will draft, revise and finalize all contracts with the City, provide employee-ready benefit summaries and booklets for the City's legal team to review. USI will ensure accurate follow-through on all negotiated contractual arrangements made between the City and any administrators or insurance carriers utilized by the City. Your dedicated service team will also provide a review of the City's renewal contract for accuracy.

We review all new SPDs for accuracy before submitting to the City for distribution to employees, please see Appendix 3 for a sample Benefits Summary Guide.

Once a new carrier, plan, or contribution strategy is determined, your USI account team advises the new carrier of the plans and rates selected and advise the current carrier(s) of the termination date. The next step is to work with the City on the communications campaign, determining the best vehicles to educate employees on the new plans — meetings, webinars, print materials, conference calls, etc. Usually a variety of these options are utilized. We work on creating or updating all communications materials, including announcement memos, benefit guides/tri-folds, and PowerPoint presentations. We order all carrier communication materials, including enrollment forms, benefit summaries, network directories, etc.

Next, we schedule and manage the enrollment meetings, utilizing carrier representatives where needed for specific information about their plans. We assist in getting enrollment data to the carriers in a timely manner and confirm with carriers that I.D. cards have been produced. After the effective date, we meet with your human resources team, along with the new carrier, to review all administrative processes.

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Detailed Installation of Plan

The implementation plan outlined below, and continued on the following page, is based on previous, successful transition management for similarly-sized clients. The schedule can be adjusted as necessary to best suit the needs of the City's decision-making process and to perform any other tasks identified for more immediate action.

With our clients who have a Benefits Committee, we develop a work plan in concert with the committee outlining specific assignments of what USI is expected to accomplish. Typically, we have a conference call prior to the committee meeting, and we welcome a conversation as to the best approach with the City.

Our goal is to have the transition be both swift and thorough. The majority of the work described in the steps below will be performed by USI, and we will confer with the City throughout the process in order to learn your culture and understand the best way to communicate with your employees and their families.

Once we receive confirmation of our partnership with the City, as well as a signed broker of record letter, we will quickly schedule an implementation and high-level planning meeting to establish clear expectations, short-term and long-term objectives and to execute a Business Associates Agreement. We will employ both an Annual Service Calendar (see sample in Appendix 4) and a Renewal Timeline (see sample in Appendix 5) to ensure accountability at all major milestones throughout the process.

USI will handle many aspects of the implementation process for employee benefit plans and options elected by the City. This will include the management and monitoring of insurance needs, policies and establishment of your programs. We will manage carrier relationships, issue and review contracts, ERISA documents and master applications.

Sample Implementation Plan

Step 1: Signed Broker Appointment Letter (immediate effective date).

Step 2: Make formal introductions of all team members and discuss various aspects of the employee benefit programs that should be considered in developing a short-term and long-term strategic plan. We will request current benefit information from your current vendors and begin our detailed review. Then, we will work with you to define your overall benefit plan philosophy. Topics for discussion would include:

- Pre-renewal
- Enrollment Technology
- Timeline for the City's decision-making process
- Anticipated future business growth
- Administrative systems
- Quality of current vendor relationships
- Current financial goals and budgetary requirements
- Review Renewal Timeline

Step 3: USI and the City develop a three-year strategic plan that complements corporate, economic and cultural goals.

Step 4: We populate our agency management systems with the City's benefit plans while the City sends out announcements detailing the Benefit Resource Center and introducing USI.

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Step 5: Present our audit report detailing your program aspects and make recommendations to achieve your objectives. Our audit will focus on:

- Benefit levels versus benchmarking, comparing like industry and similar size organizations in your geographic area
- Premium contribution analysis to ensure that contributions reflect the economic and cultural philosophy of the organization
- Contract review for compliance and financial details of plan year while contract is in force and upon contract termination
- Network analysis, access and discounts
- Communication materials—open enrollment and new hire
- Current wellness-related benefits or programs
- Detailed claims analysis

Step 6: Determine need/desire to market plans to vendors outside of current relationships. We understand the impact and intangible costs associated with change and always look to provide stability in benefits, provider access and price when possible. Toward this end, we employ our "last look" policy of giving the incumbent an opportunity to maintain the relationship by making concessions to previous proposals.

Step 7: Negotiate with current and/or competitive carriers to identify lowest-cost alternatives and service guarantees.

Step 8: Collaborate with the City to finalize plan design, contribution approach, contractual language and actual vendors.

Step 9: Prepare communication/open enrollment materials for review and approval by the City.

Step 10: Prepare confirmation and termination letters (if necessary) for each carrier. Prepare all necessary contracts for execution by the City. Request binder checks to be sent with implementation paperwork.

Step 11: Launch communication and education material.

Step 12: Update agency management system with new benefit, cost and contract language. Promote the Benefit Resource Center.

Step 13: Three to four weeks prior to effective date, confirm all enrollment information is complete and loaded into eligibility and claim systems for each vendor. Confirm date for distribution of identification cards.

Step 14: Post-renewal, we will discuss the timing and effectiveness of the transition/renewal process and adjust ongoing services and timelines appropriately. We will also establish an Annual Service Calendar—complete with activities and projects to accomplish in the upcoming year that are necessary to achieve stated long-term goals.

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On Site Orientations

To ensure the City's employees have a clear understanding of their benefit offerings, USI is committed to providing on-site employee meetings to address questions and resolve member issues. Our meetings focus on communicating plan value and creating responsible health care consumers.

Our ultimate goal is to provide the best education and communication platform to your employees. The communication platforms we will make available to your employees can include on-site meetings, webinars, and hosting complete presentations on the City's communications system or website.

Open Enrollment & Ongoing Employee Communications

We place great importance on learning the City's culture and preferences and will tailor open enrollment communications to your needs. We can create hard copy open enrollment packets, give presentations at open enrollment meetings and conduct Q&A sessions to support maximum employee engagement and interaction. Additionally, your account manager can host regular, online webinar events during the enrollment process—to walk employees through the same presentation as an open enrollment meeting.

For those employees that are unable to attend a face-to-face enrollment meeting or live webinars, we can make the enrollment presentations available online, for anytime viewing. In the event that you have non-English-speaking employees in need of help with open enrollment, we arrange for those employees to have assistance in their native language—throughout the enrollment process—whether it be via webinar or in person.

From ordering and compiling carrier information into user-friendly packets, to handling implementation paperwork and sending confirmation letters to each of your carriers, we're fully equipped to facilitate open enrollment from start to finish—managing each step in the process. Your account manager will work closely with the carriers throughout the process to ensure that each of your plans are renewed. We will obtain systems update confirmations and distribute ID cards in a timely fashion.

We will also produce COBRA rates for each applicable line of coverage and prepare a separate, ready-to-distribute COBRA open enrollment packet.

Employee Guides, Benefit Summaries & Benefit Packets (Paper and/or Electronic)

Our summaries give employees a concise overview of their health and welfare benefits in a reader-friendly format.

We make sure your packets are consistent with your organization's goals. Among the items included are benefit summaries, "frequently asked questions," enrollment forms and other information pertaining to your overall benefits package. Samples available upon request. Please see Appendix 3 for a sample Benefits Guide.

Employee Meetings

Your account team will be available to attend and lead the introduction and discussion portions of benefits-related employee meetings not only during open enrollment, but also throughout the year. We can also work with your account team to make meeting content available for live, online streaming or later playback, so employees who work off-site or who have scheduling conflicts don't miss out on critical information. Regardless of the format, our focus during in-person meetings with your employees is on communicating plan value and creating responsible health care consumers.

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Wallet Cards

These customized cards list benefit plans, group numbers and relevant contact information for each insurance carrier.

Newsletters & Health Articles

We provide meaningful health and wellness articles for our clients to distribute to their employees. We also send timely newsletters relating to specific carrier or legislative changes that have an impact on your employees, and we can assist you in the preparation of health-related newsletters, the coordination of health seminars on specific topics, the coordination of exercise programs, etc.

To provide you with a quick and easy way to disseminate benefits information and Human Resources knowledge online, we also offer content ready for distribution or upload to your organization's intranet site.

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Internet/Technology-Based Tools

Many of our offerings—including Brainshark and our Mobile App—will give your employees access to benefits information and education via the web. We can also provide communication materials in internet-friendly formats for ease of distribution via email, or to facilitate posting to an organization's intranet or employee portal. In addition, we can work with your account team to make benefit-related meeting content available for live, online streaming or later playback, so employees who work off-site or who have scheduling conflicts don't miss out on critical information. Further, we have the ability to collaborate with a wide variety of vendor partners to deliver communications to the City's employees in the way that best aligns with your needs and those of your benefit plan participants.

Mobile App.

As a client-partner, USI would create a customized Mobile App for the City. Our Mobile App offers your employees and their families access to all of your benefit policy details and contact information while on-the-go. It will allow your Human Resource staff and benefit plan participants to access benefit summaries, policy numbers, and other important information about your group plans.

This easy-to-install app is available for iPhone and Android platforms and can be customized with the City's logo.

At the core of managing healthcare costs, is the ease of employees being able to access their benefits. USI makes it easy and efficient. See Appendix 6 for more information.

Brainshark

Also, using the Brainshark platform, we provide engaging, view-on-demand presentations your employees can access from anywhere—including mobile devices—at any time. Presentations are customizable and can cover any topics that are relevant to your plan participants, from enrollment procedures and information to wellness and healthy living education.

ThinkHR

We also offer clients access to ThinkHR an online resource providing a wide variety of information, tools, and downloadable forms, state and federal compliance guidelines and more. Please see Appendix 7 for more detailed information.

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PRIVACY AND CONFIDENTIALITY

To prevent unauthorized access, maintain data accuracy, and ensure the correct use of information, we have put in place appropriate physical, electronic and managerial procedures to safeguard and secure the information we collect from our clients and online.

Electronic Information Systems ("EIS") include, but are not limited to, all USI-owned or leased computer, facsimile, voice mail and telephone equipment, all associated software and hardware, all online services provided by USI, all USI-provided e-mail accounts, all Internet and Intranet sites maintained for or by USI, all logins, passwords, data, files, messages, communications and information derived from, transmitted by, received from, entered into, or stored in these systems. The term EIS also includes all equipment for which USI reimburses its employees (whether totally or partially) and any data or information transmitted by or through such equipment (including, but not limited to cell phones, smart phones, blackberries, iPads or tablets and all information sent through such devices).

USI also maintains cybersecurity coverage. Please see more about USI's commitment to privacy on our website at: https://www.usi.com/privacy

All data—including that which falls under HIPAA—at USI is handled with the utmost security.

Our internal system is password protected and is restricted to USI associates working with the data. Data security measures include 128 Bit Encryption of any data that is transmitted over the Internet, Secure Socket Layers (SSL), User Name & Password access, each page user verification, and firewall technology. Security begins before you enter your *user name* and *password*—keeping the data secure from start to finish. USI also utilizes an encrypted email system that requires a password to open. Information we protect includes PHI, private non-public financial information, personal identifying information (such as Social Security Numbers, dates of birth, account numbers, asset amounts, etc.)

Hard copy files are kept in rooms that are secure requiring card keys to access. Guests to USI are required to sign in at the front desk and display a "Visitors" badge while in our office. We utilize software, legal and industry resources to ensure our associates and clients are up to date with necessary requirements and regulations. In addition, we perform periodic training to ensure that our associates are familiar with the most recent policies and procedures.

With the exception of publicly available information, all data stored in and information derived from the EIS (detailed below) is Company property. It is each employee's responsibility to protect the Company's assets. Employees must not disclose, or cause to be disclosed, confidential Company information and the information must be used exclusively for Company business purposes.

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MEMBER COMPLAINTS

Brandon Nyberg, along with the City's dedicated USI service team, will take an active role in helping to ensure that claim disputes and escalations are resolved in a timely way. And, when necessary, they will step in and leverage their relationships with carriers to engage resources at the highest levels.

In addition, medical director, **Dr. Stan Flemming, DO, MA,** is available to provide supporting clinical analysis on ongoing large claims, large renewal increases or life-altering events to help clarify the details surrounding complex cases.

In-House Claims Resources & Employee Advocacy

The City's HR personnel, as well as your covered employees and their dependents, will also have access to the information and claims resolution services provided by the benefits specialists in the **Benefit Resource Center** (BRC), our in-house call center that advocates for you and your employees. The BRC is designed to provide you, your employees and their families with a responsive, consistent, hands-on approach to benefits inquiries as well as claim resolution and appeals—with services ranging from education, to claim-specific review and resolution, to initiation of the appeal process. Please see Appendix 8 for Benefit Resource Center reporting samples.

Our benefits specialists are knowledgeable professionals with backgrounds that include insurance claims processing, provider relations, benefit utilization management, account management and customer service, and all have years of experience in resolving problems as quickly and painlessly as possible.

The BRC is HIPAA compliant and helps remove privacy concerns and liability from your company by assisting with interactions between participants and carriers. Our BRC specialists are available by phone or email, Monday through Friday, from 5am to 5pm (Alaska Time). If you and your employees need assistance outside of these hours, please leave a message, and one of our benefit specialists will return your call within one business day.

While, in an ideal world, the process of administering and managing claims would be smooth, efficient and mistake-free, we realize there may be times when providers, carriers or TPAs handle claims incorrectly, or in a way that doesn't otherwise align with a participant's expectations. When these occasions arise, we encourage our clients and their plan participants to turn to the specialists in our BRC. The BRC is structured to provide both immediate and follow-up assistance to you and your participants in addressing claim and benefit questions.

Having the BRC as a resource reduces the time and stress on your HR team, while also minimizing potential liability exposures. The BRC is equipped to manage all claims and related issues—from beginning to resolution—including any claim appeals for payment.

The BRC takes the claim concern out of the hands of the employee and works directly with our carrier partners. Benefits Specialists act as the single point of contact for an employee with a claim issue, and each issue is assigned to a dedicated Benefits Specialist, who will remain with that issue all the way through resolution.

The Benefits Specialist will draft letters and submit appeal packets to the carrier on the employee's behalf, and our significant experience in providing this level of assistance translates to very positive outcomes for our clients and their employees.

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ADDITIONAL SERVICES

As a full-service brokerage and consultant firm, USI offers strategic solutions to complex problems, comprehensively addressing the City's employee benefit brokerage and consulting needs, while simultaneously helping you to control costs, attract and retain top-level talent and alleviate the administrative burden on your HR and benefits personnel.

Our extensive suite of services is outlined below and continued on the following pages.

Ancillary Benefits

We review ancillary benefit programs to manage and measure plan effectiveness, maximize value and employee satisfaction.

Ancillary Benefit Programs

- Disability, Dental, Life, STD, AAP
- Return to Work Strategies
- Supplemental and Voluntary Plans
- Retirement Plan Services through USI Advisors, Inc.
- Executive Benefits, 401(k) makeup plans and non-qualified deferred compensation plans

Managing/Measuring Vendors

- ROI on Administration Programs
- Achieving Superior Discounts
- Finding "Best in Class" Vendors and Carriers

Benefit Resource Center (Employee Advocacy)

Our Benefit Resource Center (BRC) provides individualized support for employee benefit plan interactions.

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

Care Intervention

Our team of consultants and clinical experts provide detailed analysis and deploy innovative solutions to reduce health care cost without sacrificing quality of care.

- Focus on Reducing Unit Cost/Frequency for Care
- Alternative Reimbursement Strategies
- Reducing Gaps/Risks in Care
- Alternative Settings of Care
- ROI Analysis and Modeling
- Constant Innovation to Reduce Cost and Improve Quality

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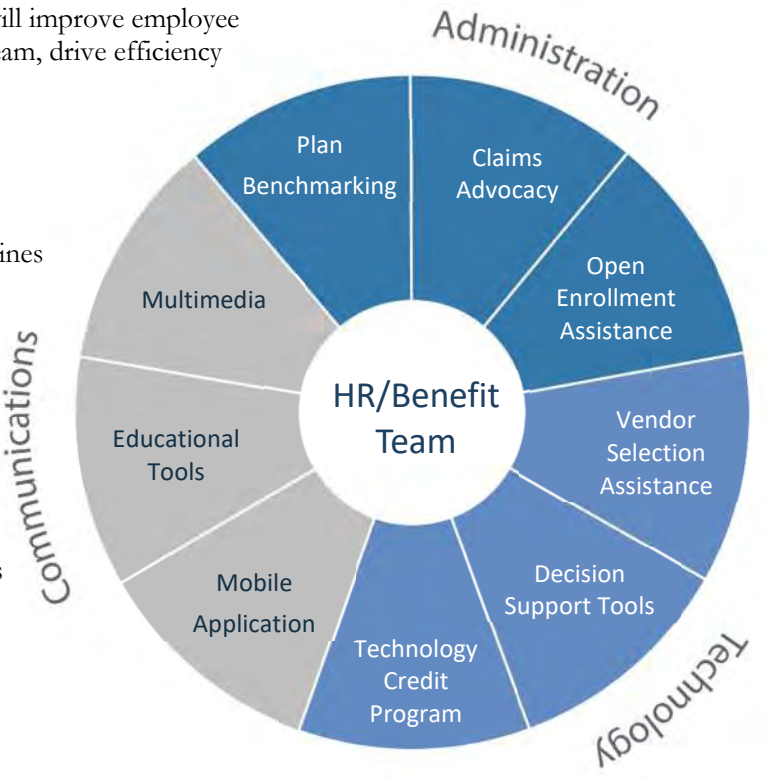
Compliance/Health Care Reform

Our National Compliance Team, including our in-house ERISA attorneys, provides expert guidance on new developments and ongoing requirements affecting health and welfare plans.

- Team of Locally-Based, Nationally-Networked Compliance Attorneys
- Monitoring of all Facets of Health and Welfare Guidance, Including Statutes, Regulations & Case Law
- Health and Welfare Plan Compliance Education
- Health Care Reform (ACA) Impact Analysis Tools
- Ongoing Articles, Workshops, and Seminars
- State and Local Benefits-Related Issues
- Compliance Guides and Sample Documents
- Assistance with Notice and Disclosure Requirements

HR Services

Our suite of Human Resource solutions will improve employee experience, alleviate burdens on the HR team, drive efficiency and ensure accountability.



Account Management

- Service Calendar
- Implementation & Project Timelines
- Employee Hotline
- Carrier Interaction and Accountability
- Coordinate USI Team

Employee Education Services

- Employee Communications—Guidebooks, Meetings, Webinars
- Total Value Statements
- Enrollment Strategies
- Customized Campaigns

HR Technology

- National Team Dedicated to Matching Clients with Appropriate Technology (HCM, Benefits Administration, ACA Reporting, etc.)
- Preferred Partnerships & Special Pricing/Terms with Vetted Vendors
- Technology Credit Program to Reduce Costs of Implementing a Benefit Administration Program/Platform

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Pharmacy

Our pharmacy tools provide cutting edge, transparent, cost management capabilities to reduce pharmacy spend and enhance employee offerings.

- Client-Specific Pharmacy Trend and Benchmark Analysis
- Performance Analysis
- Rx Pricing Strategies
- Rx Program Management Strategies
- Specialty Program Review

Additional information on any of these topics is available upon request.

Population Health Management

A health-promoting environment attracts top talent, reduces medical costs and absenteeism. Our Population Health Managers evaluate data and recommend solutions that improve employee health status. Please see Appendix 9 for a sample Population Health Management Utilization Report and a sample 3-Year Strategic Plan.

- Team of Locally-Based, Nationally-Networked Wellness Consultants
- Strategies to Improve Engagement
- Wellness Program Feasibility Analysis
- Program Design, Implementation & Reporting
- Targeted Communications to Improve Engagement
- Predictive Modeling & Large Claims Analysis
- Disease Management Strategies

Underwriting & Analytics

Our underwriting and analytics solutions integrate superior assessment, analysis and benchmarking with expert market negotiation to identify and increase transparency around insurers' profit sources.

- 100+ In-house Financial Analysts and Underwriters Nationwide
- Renewal Projections & Funding Analysis
- Alternative Reimbursement Analysis
- Claims Cost and Risk Assessment
- Trend Mitigation
- Plan Design & Contribution Analysis
- Benchmarking
- Predictive Modeling
- Ancillary Analysis
- International Exposure Analysis

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REQUIRED DOCUMENTS CHECKLIST

USI acknowledges and has submitted all required documents with our proposal included within the Forms Appendix document, per the City's request.

Required Documentation:	Included
Errors and Omissions – evidence of in-force coverage.	✓
Agency License.	✓
Statement of Compliance with Federal and State Laws, including Equal Opportunity Act and an Affirmative Action Plan that declares that the institution does not discriminate on the basis of race, color, religion, sex, national origin or age, and which specifies goals and target dates to assure the implementation of equal employment.	✓
Non-collusive Affidavit.	✓
Any other information deemed necessary by the City of Palmer that are included within appendices.	✓

E&O Certificate of Insurance & Agency License

Please see Appendix 10 for copies of USI's current insurance licenses.

USI's Equal Employment Opportunity Policy

USI is committed to a policy of equal opportunity for all employees and applicants for employment, without regard to sex, race, color, religion, creed, national origin, age, marital status, citizenship status, disability, sexual orientation, gender identity or expression, genetic predisposition or carrier status, military or veteran status or any other protected classification in accordance with applicable federal, state and local laws. USI expressly prohibits any form of employee discrimination or harassment based on these protected classifications. This policy applies to all terms and conditions of employment, including, but not limited to, recruiting, hiring, placement, training, promotion, termination, layoff, recall, transfers, leaves of absence, compensation, benefits and work-related social activities. USI complies with applicable federal, state and local laws governing nondiscrimination in employment in every location in which USI has facilities.

Unless required by the express terms of an agreement with a client, USI does not currently have in place a formal affirmative action program with numerical goals and timelines for the achievement of those goals.

Nondiscrimination Against and Accommodation of Individuals with Disabilities

USI complies with the Americans with Disabilities Act (ADA) and applicable state and local laws providing for nondiscrimination in employment against qualified individuals with disabilities. USI will provide reasonable accommodation for such individuals in accordance with these laws. It is USI's policy to:

- Ensure that qualified individuals with disabilities are treated in a nondiscriminatory manner in the pre-employment process and that employees with disabilities are treated in a nondiscriminatory manner in all terms, conditions and privileges of employment.
- Maintain custody of all medical-related information in accordance with the requirements of the ADA and HIPAA.

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- Provide applicants and employees with disabilities with reasonable accommodations in accordance with the requirements of the ADA and any applicable state law, except where such an accommodation would create an undue hardship on USI.

USI complies with all federal, state and local laws, including those established to make available reasonable accommodations for pregnancy, childbirth, lactation and breastfeeding and related conditions. Any requests for reasonable accommodation should be submitted to the local Human Resources representative.

Non-Harassment Policy

USI prohibits harassment on the basis of an individual's race, color, religion, creed, sex, national origin, age, marital status, citizenship status, disability, sexual orientation, gender identity or expression, genetic predisposition or carrier status, military or veteran status, pregnancy or pregnancy-related condition, or any other protected classification in accordance with applicable federal, state and local laws.

Prohibited Sexual Harassment

For purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature.

The following actions are a non-exhaustive list of examples of unlawful conduct:

- Unwelcome sexual advances;
- Requests for sexual favors;
- Offensive comments, jokes, innuendoes, gestures, or other sexually oriented or offensive conduct; and
- All other verbal or physical conduct of a sexual or otherwise offensive nature where:
  - submission to such conduct is made either explicitly or implicitly a term or condition of employment;
  - submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; and
  - such conduct has the purpose or effect of interfering with an individual's work performance and/or creating an intimidating, hostile or offensive working environment.

Other Forms of Prohibited Harassment

Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of any other protected category in accordance with applicable federal, state and local laws, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

The following actions are a non-exhaustive list of examples of prohibited conduct:

- Derogatory comments about race;
- Jokes about a person's age or disability; or
- Interfering with an individual's work because of his or her sexual orientation or religious beliefs.

Responsibility to Report Discrimination and Harassment

It is the responsibility of each USI employee and all members of management to create an atmosphere free of discrimination and harassment, sexual or otherwise. In addition, it is the responsibility of each employee to respect the rights of his or her coworkers. It is the responsibility of USI's employees who experience any job-related discrimination or harassment to use the complaint procedure established for the purposes of preventing and correcting unacceptable workplace behavior. If an employee experiences or observes any job-related discrimination or harassment, has a related complaint, or believes he or she has been treated in an unlawfully discriminatory manner, he or she must promptly report the matter to any of the individuals listed below:

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- Supervisor / Manager
- Unit leader
- HR department
- Practice Leader or Operating Company President
- Regional Chief Executive Officer

Employees may also call the confidential USI Compliance Hotline at (866) 657-0861 or may report online.

Upon receipt of any such complaints, the individual with whom the complaint is filed shall, in conjunction with the appropriate member of the Human Resources department, undertake a prompt and thorough investigation of the allegations. Confidentiality will be maintained to the maximum extent possible and information will be provided to others on a need-to-know basis only. Should the investigation determine that an individual has engaged in harassing behavior or otherwise discriminated against an employee, disciplinary action, up to and including employment termination, may be considered against the offending employee.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and will not be tolerated by USI. Acts of retaliation should be reported immediately to one of the individuals designated above. Complaints of retaliation will be handled in the same manner as a report of sexual harassment, harassment based on other protected categories, and discrimination, and any employees found to have engaged in retaliation will be subject to disciplinary action.

Any employee found to have violated this policy, may be subject to discipline up to and including immediate termination of employment.

Non-Collusive Affidavit & All Signed Forms

Please see Appendix 11 for all signed Forms and additional requirements.

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The USI ONE Advantage®

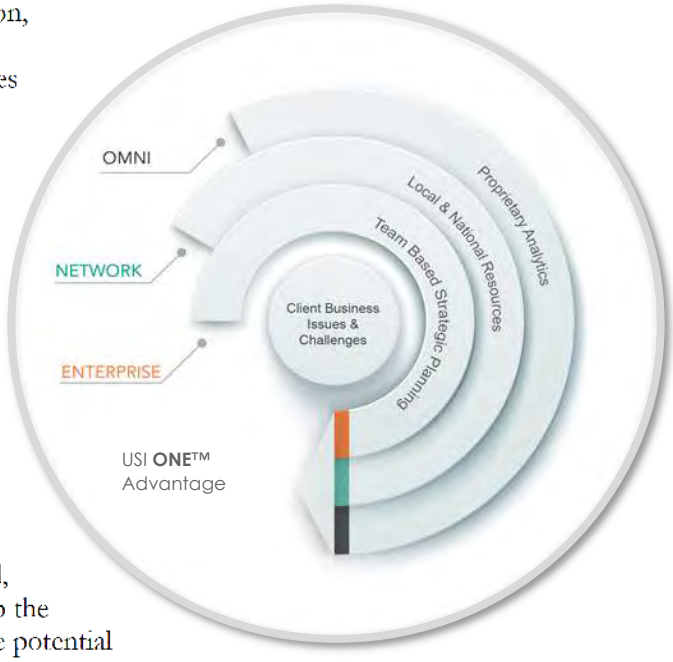
We believe a consultant should be a true strategic partner—providing expertise, guidance and insight to help shape, refine and manage a benefits program that's aligned with the City's unique organizational culture, goals and budget, and then advocating on your behalf to ensure you're paired with the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

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

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

The USI ONE Advantage®

Our approach to helping clients with the evaluation, analysis, optimization and on-going strategic management of their employee benefits plans relies upon a powerful process we call the USI ONE Advantage®, a unique and highly-customizable approach that delivers a comprehensive set of employee benefit solutions and exclusive resources with measurable financial impact.



This approach is composed of the three key elements described below that—when combined—create the USI ONE Advantage® and set us apart as one of the industry's leading middle-market employee benefit consulting and brokerage firms.

O: Omni Knowledge Engine

With USI's *Omni Knowledge Engine*, a one-of-a-kind, proprietary solutions platform, we are able to help the City define, compare, understand and quantify the potential impacts various options and approaches can have on your health and welfare plans *and* your bottom line. The Omni tool was built in-house and is founded upon the knowledge gleaned from decades of experience in helping clients design, implement and maintain strategic and sustainable health and welfare benefits programs, as well as upon the expertise of the more than 6,000 industry professionals USI employs.

The tool measures the potential financial impacts of plan changes—predicting the estimated costs or credits associated with dozens of benefit-change strategies—and can even "work backward" from a target budget figure.

The Insurance Marketing Communications Association (IMCA) recognized USI with their 2018 Innovation Torchbearer Award for the USI Omni Knowledge Engine™ and the impact this platform "has on a large segment of the insurance industry."[6]

[6] Insurance Marketing & Communications Association (IMCA). (https://imcanet.com/_wp/wp-content/uploads/2018/07/2018-IMCA-Torchbearer-Recipient-Named-Press-Release.pdf

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With specific regards to employee benefits, USI's Omni platform offers distinct services and solutions focusing on seven primary areas:

- **Underwriting & Data Analytics** — Analyzing data from multiple sources to manage and negotiate plan costs
- **HR Services** — Administration platforms, call centers and service calendars to ease the City's administrative burdens
- **Population Health Management** — Wellness design, disease management analysis and aligned incentives to improve health
- **Regulatory Compliance/Healthcare Reform** — Tools, expert guidance, and policies to promote compliance with federal and state regulations
- **Care Intervention** — Options for members to make more efficient care decisions without sacrificing quality
- **Pharmacy** — Solutions to increase transparency and minimize pharmacy costs
- **Ancillary Benefits** — Competitive marketing and scoring drives results for other plan services

N: Network

As USI has grown, we have consistently and continuously invested in local resources and technical expertise. Today, with more than 6,000 closely linked professionals in our national network, we are able to bring the City unparalleled capabilities, integrated account teams and specialized, industry-specific knowledge. Our local and regional experts ensure account team availability, hands-on service, and ongoing, diligent delivery and follow-through, while the specialist resources accessible through our national network enable us to provide uniquely insightful, targeted and customized consulting.

E: Enterprise

Our enterprise planning is disciplined, focused, deeply analytical and centered on our clients' business issues and challenges. Highly-consultative team meetings integrate Omni analytics with our broad resource network to support associates in building an employee benefits strategy aligned with your business needs.

We firmly believe the USI ONE Advantage® generates solutions that are fundamentally different. And, we have the resources to deliver those solutions, as well as a process to bring the City superior results.

We look forward to the opportunity to demonstrate how the USI ONE Advantage® can offer the City customized, actionable, measurable solutions with bottom line impact.

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DISCLOSURES

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Compensation Disclosures

Information Concerning Our Fees

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

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APPENDIX 1: THE CITY'S USI SERVICE TEAM BIOS

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The City's USI Service Team Bios & Experience

BRANDON NYBERG, Senior Vice President & Lead Employee Benefits Consultant

Brandon Nyberg will serve as the City's lead consultant and strategist. Prior to joining USI, Brandon served as senior vice president of benefits consulting at Wells Fargo Insurance Services and was responsible for the oversight of over 40 clients in 5 states including AK, WA, CA, MT, TX. He has 10 years of industry experience and has served as a senior consultant and lead advisor for many of the Northwest's most prominent employers including those based in Alaska.

Brandon currently serves a number of organizations including City of Kenai, City of Homer, Frontier Community Services, Alaska Dispatch News. His clientele includes private, public, union and trust businesses.

Brandon enjoys coupling his extensive financial understanding of the industry with his carrier and brokerage background to produce meaningful and understandable leadership in his role as chief consultant/broker for his clients.

Education

- AA, Big Bend College, Aviation/Commercial Flight Program
- Continuing education in ethics training, worksite wellness and behavioral health strategies, and compliance

Affiliations

- Annual sponsor of Hope Community Resources
- Active participant in numerous organizations, including Alaska Health Underwriters and Always Brothers Foundation
- Participant of the National Association of Health Underwriters
- Participant of the Washington Association of Health Underwriters

Experience

- Senior Vice President at USI
- 5 years with USI—Senior Vice President of benefits consulting
- 10 years benefits, health and wellness experience

Expertise

- Leading multi-disciplinary account teams to manage and respond to the needs of his clients
- Strategic planning and guidance
- Alternate funding, including account-based plan design
- Renewal and bid negotiations
- Wellness and total health management
- Workforce communication and engagement
- Health Care Reform

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HYOJIN WOO, Senior Account Manager

HyoJin joined the USI team in 2009. In her role as a Senior Account Manager, she offers the City vast knowledge and account management expertise and her primary focus is on providing strategic planning, consulting and partnership to help clients achieve their business objectives.

Her knowledge of the employee benefits industry extends from fully insured plans to self-insured plans; from major medical plans to ancillary benefits such as dental, vision, life and disability plans.

Prior to joining USI team, HyoJin worked for Risk & Benefit Management Services (RBMS), which—at the time—was Alaska's largest third-party administrator. She has a detailed understanding of self-funded plans, stop-loss insurance and health plan financial accounting.

HyoJin will serve as the Senior Account Manager for the City, providing ongoing customer service, compliance management, communication to employee populations, vendor relationship management and daily administration of your account.

Education

- B.S., Health Management Systems, Duquesne University
- Continuing education in ethics training, compliance, HIPAA, Health Care Reform and benefits education

Certifications & Affiliations

- Licensed broker in the states of Alaska, Washington, Hawaii, Wyoming, California, Virginia and Alabama
- Active member of the National Association of Health Underwriters
- Active member of the Alaska Association of Health underwriters
- 2015 AAHU Board Secretary
- 2016 AAHU Board Vice President
- 2015 USI Summit Award recipient

Volunteer Work

- Volunteer for the HUGSS & Coats for Kids Project
- March of Dimes Participant
- Vice Principal, St. Andrew Kim Parish Sunday School

Experience

- 10 years broker account management
- 3 years in Third Party administration

Expertise

- Development and implementation of targeted client/employee topical communication plans
- Administration of renewals including preparation of appropriate contractual changes
- Conducting employee benefit education meetings
- Developing employee communications to assist with communicating annual renewal changes, enrollment procedures, miscellaneous benefit changes and clarifications
- Project management

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BARBARA STOTT, PHR, RHU, Senior Account Executive

Barbara will provide back-up support to Brandon, Eric, HyoJin and the City's service team with reporting, marketing, compliance, communication, vendor management and the day-to-day administration of your account.

Barbara entered the employee benefits field in 1997 with HealthNet of Arizona. During that time she worked as an Account Coordinator on several large benefit accounts such as Federal Employee Health Benefit Plan (FEHBP), State of Arizona, City of Tucson, and Tucson Unified Schools.

She moved with her military spouse and family to Washington State in 2002, where she went to work for Propel Insurance, formerly known as Bratrud Middleton Insurance Brokers. Barbara worked as an Account Manager at Propel mainly on mid- to large-sized groups. Her area of expertise was providing coverage for assisted living facilities, construction and engineering firms, medical clinics and banks.

Barbara came to Alaska in 2008 and went to work for The Wilson Agency, LLC., then joined Alaska USA Insurance Brokers in 2010, where she focused on compliance in addition to account management. Former clients include the Municipality of Anchorage and several Native organizations. Barbara joined the USI team in January of 2015.

Education

- B.A., English Literature, Montana State University, Bozeman

Certifications & Affiliations

- Registered Health Underwriter (RHU)
- Professional Human Resource (PHR) designation
- Member of the Alaska Association of Health Underwriters

Experience

- More than 21 years in the employee benefits industry

Expertise

- Development and implementation of targeted client/employee topical communication plans
- Administration of renewals including preparation of appropriate contractual changes
- Guidance on regulatory topics including ERISA, COBRA, HIPAA and PPACA
- Open enrollment process management, including employee meetings
- Developing employee communications to assist with communicating annual renewal changes, enrollment procedures, miscellaneous benefit changes and clarifications
- Contract review, 5500 filing

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Specialist Resources

ALICIA SCALZO WILMOTH, J.D., Senior Vice President & Benefits Counsel

As our in-house Benefits Counsel, **Alicia** provides timely updates on industry trends, legislative updates, Health Care reform or compliance alerts and ideas to improve the impact and effectiveness of your programs.

Alicia manages our internal compliance team, and is responsible for monitoring and reporting on changes in benefits laws, publishing periodic updates and newsletters highlighting general issues with respect to welfare benefit programs.

Alicia also handles reviews and revisions of forms, administrative kits, and applicable literature for compliance with current regulations. She is a resource to our clients and outside professional advisors, assisting with the development and design of complex benefit plans, which include analysis of tax implications and available planning strategies.

Alicia works with the client service team to provide assistance with a wide variety of issues surrounding employer sponsored health and welfare programs.

Education

- J.D., Cum Laude, Seattle University School of Law
- B.A., Boston College
- Member, Washington State Bar Association
- Member, American Bar Association
- Member, Western Pension & Benefits Conference
- Member, National Association of Health Underwriters
- Member, Seattle's Pension Roundtable

Awards

- USI's Associate of the Year

Experience

- 12+ years with USI
- USI's National Practice Leader for Health & Welfare Compliance Team, composed of 19 benefits attorneys
- Regular industry speaker on a variety of health & welfare topics, including health care reform and wellness plan compliance

Expertise

- Health and welfare compliance issues including PPACA, ERISA, HIPAA, COBRA, FMLA, as well as Code and state insurance laws
- Development and design of complex benefit plans, including tax implications and planning strategies
- Working with employers having associates in multiple locations

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CAROLE RILEY, Analytical Services Team Lead

Carole co-leads the analytical team for USI's Northwest Region, which includes offices from Alaska to Southern Oregon, and regularly shares market, carrier and industry knowledge with benefit analysts and account service teams across the region to bring the best and most creative funding, contribution and reporting offerings to our clients.

Carole started with USI on the account service side, working closely with other service team members to prepare enrollment materials and schedule client meetings. The switch to the analytical team allowed the combination of her acquired customer service skills and number crunching expertise to work in concert.

Carole and her team provide resources and understanding around benefits, pricing and plan utilization for employers to make informed decisions on their employee benefit contracts.

Education

- B.A. in Accounting, University of Washington

Certifications & Affiliations

- Licenses for the states of Washington, Oregon and California
- Completed USI 3D training

Experience

- 6 years with USI
- USI Summit Award Winner

Expertise

- Managing analytical and reporting needs for employers nationwide and for large, complex benefits plans for seven USI offices across five states

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JON MERRILL, M.A., Analytical Services Team Lead

Jon co-leads the employee benefits analytical team for USI's Northwest Region, which includes offices in western states from Alaska to Southern Oregon.

Jon and his team are tasked with gathering and analyzing data for group benefits insurance and administrative plans. The analytical team provides resources and understanding around benefits, pricing and plan utilization so employers can make informed decisions on their employee benefit contracts.

Education

- B.A. in Interdisciplinary Humanities, Brigham Young University
- M.A. in Ethics, Global Affairs, American University

Certifications & Affiliations

- Group Benefits Administrator, Wharton School of Business
- Insurance Producer License for the state of Washington
- Completed USI 3D training

Awards

- USI Summit Award Winner

Expertise

- Managing analytical and reporting needs for employers nationwide and for large, complex benefits plans for seven USI offices across five states

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ALICIA KELSEY, Senior Wellness Consultant

As a member of our in-house Population Health Management team, **Alicia** is dedicated to supporting our Employee Benefits clients with their wellness initiatives and will help guide them in the four core components of managing a strong program, including:

- Strategy & Planning
- Wellness lead/committee coaching and mentoring
- Vendor selection & management
- Connection to ongoing education and resources

Alicia is an ambitious and accomplished health and wellness consultant with more than nine years of branding, developing, implementing and evaluating onsite wellness programs for medium to large sized organizations.

Her experience has given her extensive knowledge of associate engagement, program sustainability and vendor management. Alicia's "grass roots" approach to providing custom and attainable solutions is imbedded into her consulting philosophy, measurable outcomes and on-going success.

In her role, Alicia will work with our account teams assisting clients in the creation of sustainable onsite wellness solutions that engage associates, address modifiable risks and dovetail with the organizations' mission and vision around health and wellness.

Prior to joining USI, Alicia was the Wellness Division Manager for Vivecorp, a Seattle-based health and wellness company. While at Vivecorp, she worked with multiple clients overseeing the creation and implementation of their wellness programs.

Education

- Associate's of Applied Science in Culinary Arts, Art Institute of CO, Denver The School of Culinary Arts
- B.A. in Nutrition and Business, Arizona State University

Expertise

- Support the development of 'wellness branding' by identifying and marketing key messages to associates through education seminars, newsletters and company intranet portals
- Vendor Management
- Nutrition Services
- Fitness Coaching

Experience

- Aligning wellness programs and strategies to company brands for cohesive programming
- Facilitated 'behavior change' and 'lifestyle services' programs for a corporation consisting of 5,000 employees; providing fitness & wellness coaching, nutrition services, parent coaching, stress & sleep support to encourage a work life balance.
- Collaborated with numerous vendors to provide services and programs to clients, resulting in an increase of wellness programming participation by 50% over a 2-year period of time

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DAVID CULLUM, Assistant Vice President & BRC Team Lead

David leads the Benefit Resource Center (BRC). The BRC will assist the City's plan participants with claims-related issues as well as with eligibility problems and benefit interpretation questions for your medical, dental, short-term and long-term disability plans.

The BRC also provides you and and your employees with a responsive, consistent, hands-on approach to benefit inquiries and remove the burden of associate calls to the HR Department.

Prior to joining USI's team, David worked for a national health insurance company, serving in several positions including case management coordination for terminally ill members. David has vast knowledge of managed care plans and specializes in customer service and claims research.

Education

- Golden State Business College

Certifications & Affiliations

- Licensed broker in Washington, Oregon, California, Alaska, Idaho, Colorado and Arizona

Awards

- USI's Person of the Year Award
- USI's Associate of the Quarter

Experience

- 12 years with USI
- 19 years of experience in health insurance, including case management coordination for terminally-ill members and their families

Expertise

- Knowledge of managed care plans
- Specializes in customer service and claims research

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MILES CRAIGWELL, VP & Voluntary, Supplemental & Executive Benefits Consultant

Miles is a leader in the Executive Benefits department, where he specializes in Individual Disability Insurance, Long-Term Care, and Worksite Benefits. For the past 7 years, Miles has supported all departments within USI, providing a variety of solutions to common industry shortfalls in coverage. His new business and growth is a testament to the expertise he provides his clients, the service he maintains over the life of his relationships, and the trust he's built to lead his clients in the right direction. His robust knowledge of industry statistics, trends, and movements have kept his clients compliant, while his deep research and strong carrier relationships have helped leverage proprietary products and pricing.

Miles has a heart for community-based initiatives and serves on various boards.

Education

- B.A. in Business Economics, Brown University

Certifications & Affiliations

- Brown University Alumni Association, Class Leader since 2015
- Can be appointed as a licensed broker in any/all of the 50 states

Awards

- Recognized with "Heavy Hitter Award" in 2012; an annual award given for record sales quota to individuals nationally
- Recognized with "PEAK Producer Award" in 2012, 2015 and 2018; a regional, quarterly new business and growth award

Experience

- 7 years with USI's Seattle office

Expertise

- Executive Benefits
- High-Limit Income Protection
- Individual Disability Insurance
- Long-Term Care
- Worksite Benefits

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DR. STAN FLEMMING, D.O., M.A., Chief Medical Officer

Dr. Flemming engages in clinical analysis when ongoing large claims, large renewal increases or life altering events are poised to significantly impact your benefit plan. Through this analysis, our clients gain access to attending physicians who wouldn't normally discuss clinical information with an employer or broker.

Key benefits of working with a medical director:

- Credibility with carriers and medical providers is critical to be able to engage providers and carrier Medical Directors. Clarification of the details around complex cases allows us to negotiate more favorably with underwriting by taking control away from the insurance company.
- Expert advice on plan structure and utilization. It is often beneficial for members as well as the plan to look at alternative options that would not normally be covered under the benefit plan. This often leads to better cost control, as well as enhanced clinical outcomes.
- Enhancement of your plan participants' experience by being a resource for complex care and our Benefit Resource Center

Education

- M.A. Degree (Strategic Planning & National Defense)
- United States Army War College Defense Strategy Course—Graduate
- United States Air Force Air War College—Graduate
- Fellowship—Univ. of Southern California School of Medicine and Children's Hospital of Los Angeles
- Residency—Family Medicine, Pacific Hospital of Long Beach
- D.O. Degree (Osteopathic Medicine) Western Univ. of Health Science
- M.A. Degree (Human Relations & Soc. Psy) —Pacific Lutheran Univ.
- B.S. in Zoology —Univ. of Washington

Certifications & Affiliations

- Board Certified in Family Medicine
- Sub-specialties in adolescent medicine, HIV/AIDS related diseases

Experience

- 20+ years with health insurance and the health plan industry
- Chief Medical Officer for commercial and government health insurance and TPA services
- Worked with government, non-profit, and public entities at local, state, and regional levels
- Associate Clinical Professor—Western Univ. of Health Science
- Physician Executive Leadership Program—Harvard Univ.

Expertise

- Dr. Flemming's clinical analysis resulted in a reduction of over $400,000 in additional liability to a USI client. His engagement around the renewal process helped the client maintain competitive benefits and limit future liabilities

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ANNE BURKETT, CEBS, SHRM-CP, PHR, National Practice Leader, HR Technology

Anne plays a key role with USI as the National Practice Leader in HR Technology for our Employee Benefits Division. Her exceptional market knowledge and many years of experience allow her to assist clients in cost-saving and strategizing to locate and secure the most appropriate HR solutions to meet their needs.

Anne began her insurance career in 2007 at Higginbotham Insurance Agency where she served as Director of HR Services until 2013. While there Anne managed five cross-discipline professionals and led the HR services department for one the of the largest independent insurance brokerage firms in Texas.

Anne then took the prestigious role of Chief Operating Officer for Benefit Technology Resources, LLC (a leading mid-market HR technology consulting firm in the country) located out of Tampa, FL. Some of her many responsibilities included but were not limited to: the overall supervision of business operations; management oversight of benefits administration implementation and consulting divisions, with over 20 indirect reports in total.

Education

- B.A., Business Administration, Kennedy Western University, Cheyenne, Wyoming

Certifications & Affiliations

- Certified Employee Benefits Specialist (CEBS)
- Society of HR Management Certified Professional (SHRM-CP)
- Professional Human Resources Certification (PHR)
- International Foundation of Employee Benefit Plans, DFW Chapter
- Society of HR Management, FW Chapter

Experience

- 9 years of insurance industry experience
- 3+ years of experience in HR Technology

Expertise

- HR Technology
- Pairing clients with comprehensive, cost-effective HR Technology and Benefits Administration Platform solutions

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NICK ALLEN, FSA, FCA, MAAA, Chief Actuary & National Practice Leader, Actuarial Services

Nick is USI's National Practice Leader for Actuarial Services. His expertise lies in helping clients understand, avoid, and mitigate enterprise risk within their healthcare plan. Known for a very personal and tailored style of consulting, Nick is able to communicate his uniquely artful and scientific approach to problem solving in an engaging way that clients can follow.

Nick's daily focus is on the planning, development, and implementation of fiscally prudent healthcare strategies for our clients. There are no one-size-fits-all solutions in today's health care environment, so his emphasis on tailoring recommendations to clients based on their specific active and retiree health plan needs falls right at the heart of what our clients demand amidst healthcare reform.

As a change agent, Nick concentrates on the financial dynamics of any client who faces seismic changes in their business, and relates it to their future healthcare strategy. These changes could be through merger and acquisition activity, rapidly evolving demographics, plan consolidation, or any other large-scale enterprise shifts.

He has published articles on leadership and healthcare reform. He also leads the architecture and development of our proprietary actuarial and financial tools. His experience ranges from mid-market to jumbo client consulting sales and service.

Nick graduated from Virginia Tech with a B.S. in Mathematics. He is a Fellow of the Society of Actuaries, a Fellow in the Conference of Consulting Actuaries, and is a member of the American Academy of Actuaries.

JAMIE FRITS, Executive Vice President & Investment Advisor, USI Advisors, Inc.

Jamie works closely with his investment advisory clients, consulting on plan design, assisting with investment option selection, presenting the quarterly Fiduciary Investment Reviews, attending employee meetings, providing investment advice to participants and maintaining overall account management responsibilities.

As Executive Vice President, Jamie has been a consultant for qualified retirement plans and asset management for more than 25 years. He serves as the central contact for retirement plan clients and their employees, overseeing all investment, administration, and employee communication services to provide a total plan perspective.

Jamie graduated from Claremont McKenna College with a B.A. in Economics and Accounting, and holds a Master's degree in Business Administration from the University of Oregon.

Jamie is a Registered Investment Advisor and has passed the NASD Series 7 and 63 examinations.

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APPENDIX 2: CURRENT RATES

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City of Palmer, AK
Cost Summary
March 1, 2020

Carriers	Current	Renewal
Medical	Meritain Health	Meritain Health
Dental	Meritain Health	Meritain Health
Vision	Meritain Health	Meritain Health

Total Annual Cost

Medical	$2,071,168	
Dental	$101,355	$111,490
Premera Dental Option		
Premera Dental Option 2		
Vision	Included	Included
Annual Total	**$2,172,522**	
Change from Current		
Annual Total with Premera Dental Option 1		
Annual Total with Premera Dental Option 2		
Change from Current - w/ Dental Option 1		
Change from Current - w/ Dental Option 2		
Percentage Change - w/ Dental Option 1		
Percentage Change - w/ Dental Option 2		

Notes

1. Meritain renewal rates are estimated at a 10% increase over current rates.
2. Premera rates reflect a 1 month Alternative Payment Arrangement for plan year 2020.
3. 2021 renewal from Premera is capped at 9.5%.
4. Premera is offering a 1 month Alternative Payment Arrangement for plan year 2021.

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City of Palmer, AK
Cost Summary
March 1, 2020

Carriers	Option 1	Option 2	Option 3	Option 4
Medical	**Premera BCBS of AK**	**Premera BCBS of AK**	**Premera BCBS of AK**	**Premera BCBS of AK**
Dental	**Premera BCBS of AK**	**Premera BCBS of AK**	**Premera BCBS of AK**	**Premera BCBS of AK**
Vision	**Premera BCBS of AK**	**Premera BCBS of AK**	**Premera BCBS of AK**	**Premera BCBS of AK**
COBRA Administration	**Navia**	**Navia**	**Navia**	**Navia**
FSA Administration	**Navia**	**Navia**	**Navia**	**Navia**
HSA Administration	**Navia**	**Navia**	**Navia**	**Navia**
HRA Administration	**Navia**	**Navia**	**Navia**	**Navia**

Total Annual Cost

Medical	$1,775,059	$1,766,479	$1,699,776	$1,691,196
Dental				
Premera Dental Option	$83,582	$83,582	$83,582	$83,582
Premera Dental Option 2	$86,578	$86,578	$86,578	$86,578
Vision	Included	Included	Included	Included
COBRA Administration	$840	$840	$840	$840
FSA Administrastion	$1,197	$1,197	$1,197	$1,197
HSA Administration	$600	$600	$600	$600
HRA Administration	$3,720	$3,720	$3,720	$3,720
Annual Total	**$1,951,576**	**$1,942,996**	**$1,706,133**	**$1,697,553**
Change from Current	**-$220,946**	**-$229,526**	**-$466,389**	**-$474,969**
Annual Total with Premera Denta	**$1,858,641**	**$1,850,061**	**$1,783,358**	**$1,774,778**
Annual Total with Premera Denta	**$1,861,637**	**$1,853,057**	**$1,786,354**	**$1,777,774**
Change from Current - w/ Denta	-$313,881	-$322,461	-$389,164	-$397,744
Change from Current - w/ Denta	-$310,885	-$319,465	-$386,168	-$394,748
Percentage Change - w/ Dental (	-14.4%	-14.8%	-17.9%	-18.3%
Percentage Change - w/ Dental (	-14.3%	-14.7%	-17.8%	-18.2%

Notes

1. Meritain renewal rates are estimated at a 10% increase over current rates.
2. Premera rates reflect a 1 month Alternative Payment Arrangement for plan year 202(
3. 2021 renewal from Premera is capped at 9.5%.
4. Premera is offering a 1 month Alternative Payment Arrangement for plan year 2021.

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City of Palmer, AK
Medical Plan
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline	Current	Renewal
Carrier	Meritain Health	Meritain Health
Plan Type, Name, Network	POS	POS
Deductible (Individual / Family)	$200 / $400	$200 / $400
Non-Network Deductible (Individual / Family)	Combined with Non-PPO	Combined with Non_PPO
Deductible Embedded / Non-Embedded		
Out-of-Pocket Maximum (Individual / Family)	$4,600 / $13,700	$4,600 / $13,700
Non-Network OOP Max (Individual / Family)	Unlimited	Unlimited
Prescription OOP Max (Individual / Family)		
Coinsurance (In / Out)	20%	20%
Wellness / Preventive Care	0% (DW)	0% (DW)
Primary Care Office Visit	20%	20%
Specialist Office Visit	20%	20%
Walk-In / Urgent Care Visit	20%	20%
Emergency Room	$150	$150
Outpatient Lab / X-Ray	20%	20%
Complex Imaging (MRI, CAT, PET, et.al.)	20%	20%
Outpatient Surgical Facility	20%	20%
Inpatient Hospital Facility	$250	$250
Retail Prescription Drug Copays	$0 / $25 / $45	$0 / $25 / $45
Mail Order Prescription Drug	$0 / $40 / $80	$0 / $40 / $80
Specialty Prescription Drugs	$0 / $40 / $80	$0 / $40 / $80

Rates & Total Cost

Employee	21	$1,333.28	$1,466.61
Employee + Spouse	9	$2,758.89	$3,035.88
Employee + Child(ren)	7	$2,586.56	$2,845.22
Employee + Spouse & Child(ren)	25	$4,066.50	$4,473.15
Total Employees	**62**		
Monthly Premium Total		**$172,597**	**$189,867**
Annual Premium Total		**$2,071,168**	**$2,278,404**
Change from Current			$207,237
			10.0%

Notes

1. (dw) = deductible waived
2. Meritain renewal rates reflect a 10% increase over current rate.
3. Rates shown reflect a 1 month Alternative Payment Arrangement from Premera for plan year 2020.
4. Premera is offering a 1 month Alternative Payment Arrangement for plan year 2021.

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City of Palmer, AK
Medical Plan
Benefit Outline and Cost Summary
March 1, 2020

Option 1	Option 2	Option 3	Option 4
Premera BCBS of AK	Premera BCBS of AK	Premera BCBS of AK	Premera BCBS of AK
Preferred Choice HP $500 Rx 10/25/45/30% Essentials	Preferred Choice HP $500 Rx 15/30/50/30% Essentials	Preferred Choice HP $1000 Rx 10/25/45/30% Essentials	Preferred Choice HP $1000 Rx 15/30/50/30% Essentials
$500 / $1,000	$500 / $1,000	$1,000 / $2,000	$1,000 / $2,000
$1,000 / $2,000	$1,000 / $2,000	$2,000 / $4,000	$2,000 / $4,000
Embedded	Embedded	Embedded	Embedded
$3,500 / $7,000	$3,500 / $7,000	$4,500 / $9,000	$4,500 / $9,000
$45,000 / $90,000	$45,000 / $90,000	$45,000 / $90,000	$45,000 / $90,000
Included w/ Medical	Included w/ Medical	Included w/ Medical	Included w/ Medical
20% / 40% / 60%	20% / 40% / 60%	20% / 40% / 60%	20% / 40% / 60%
Covered in Full	Covered in Full	Covered in Full	Covered in Full
$20 (DW)	$20 (DW)	$25 (DW)	$25 (DW)
$60 (DW)	$60 (DW)	$60 (DW)	$60 (DW)
$40	$40	$40	$40
$100 copay (waived if admitted) 20%	$100 copay (waived if admitted) 20%	$100 copay (waived if admitted) 20%	$100 copay (waived if admitted) 20%
20% / 40%	20% / 40%	20% / 40%	20% / 40%
20% / 40%	20% / 40%	20% / 40%	20% / 40%
20% / 40%	20% / 40%	20% / 40%	20% / 40%
20% / 40%	20% / 40%	20% / 40%	20% / 40%
$10 / $45 / 30%	$15 / $30 / 30%	$10 / $45 / 30%	$15 / $30 / 30%
$25 / $62.50 / 30%	$37.50 / $75 / 30%	$25 / $62.50 / 30%	$37.50 / $75 / 30%
$45 Preferred	$50 Preferred	$45 Preferred	$50 Preferred

Rates & Total Cost

$1,255.79	$1,249.72	$1,202.53	$1,196.46
$2,825.53	$2,811.87	$2,705.69	$2,692.03
$2,197.63	$2,187.01	$2,104.43	$2,093.81
$3,767.37	$3,749.16	$3,607.59	$3,589.38
$161,369	**$160,589**	**$154,525**	**$153,745**
$1,775,059	**$1,766,479**	**$1,699,776**	**$1,691,196**
-$296,109	-$304,689	-$371,392	-$379,972
-14.3%	-14.7%	-17.9%	-18.3%

Notes

1. (dw) = deductible waived
2. Meritain renewal rates reflect a 10% increase over current rate.
3. Rates shown reflect a 1 month Alternative Payment Arrangement from Premera for plan year 2020.
4. Premera is offering a 1 month Alternative Payment Arrangement for plan year 2021.

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City of Palmer, AK
Dental Plan
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline	Current	Renewal
Carrier	Meritain Health	Meritain Health
Plan Type	PPO	PPO
Deductible (Individual / Family)	$50	$50
Waived For Preventive	Yes	Yes
Annual Maximum	$1,500	$1,500
Max Rollover	Not Included	Not Included
Preventive Services	20%	20%
Basic Services		
Major Services		
Endodontics / Periodontics	Basic	Basic
Implants		
Orthodontia	50%	50%
Eligibility		
Lifetime Maximum	$1,500	$1,500

Rates & Total Cost

Employee	21	$65.24	$71.76
Employee + Spouse	9	$135.05	$148.56
Employee + Child(ren)	7	$126.57	$139.23
Employee + Spouse & Child(ren)	25	$198.99	$218.89
Total Employees	**62**		
Annual Total		**$101,355**	**$111,490**
Change From Current			

Notes

1. Rates shown reflect a 1 month Alternative Payment Arrangement from Premera for plan year 2020.
2. Premera is offering a 1 month Alternative Payment Arrangement for plan year 2021.

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City of Palmer, AK
Dental Plan
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline	Option 1	Option 2
Carrier	**Premera BCBS of AK**	**Premera BCBS of AK**
Plan Type	**Dental Optima 1500 Enhanced + Ortho**	**Dental Optima 2000 Enhanced + Ortho**
Deductible (Individual / Family)	**$50 / $150**	**$50 / $150**
Waived For Preventive	Yes	Yes
Annual Maximum	$1,500	**$2,000**
Max Rollover	Not Included	Not Included
Preventive Services	**0%**	**0%**
Basic Services	**20%**	**20%**
Major Services	**50%**	**50%**
Endodontics / Periodontics	Basic	Basic
Implants	**Major**	**Major**
Orthodontia	**0%**	**0%**
Eligibility	**Adult and Child**	**Adult and Child**
Lifetime Maximum	$1,500	$1,500

Rates & Total Cost

Employee	21	$52.41	$54.38
Employee + Spouse	9	$112.49	$116.73
Employee + Child(ren)	7	$126.48	$130.81
Employee + Spouse & Child(ren)	25	$184.00	$190.50
Total Employees	**62**		
Annual Total		**$83,582**	**$86,578**
Change From Current		-$17,773	-$14,777
		-17.5%	-14.6%

Notes

1. Rates shown reflect a 1 month Alternative Payment Arrangement from Premera for plan year 2020.
2. Premera is offering a 1 month Alternative Payment Arrangement for plan year 2021.

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City of Palmer, AK
Vision Plan
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline	Current	Renewal
Carrier	Meritain Health	**Premera BCBS of AK**
Exam Copay		**10% (DW)**
Materials Copay	$25	**$0**
Exam	Covered inFull	**$350 max shared with Hardware**
Lenses		
Single	$30 max	**Covered in Full**
Bifocal		**$350 PCY max shared with vision**
Trifocal		**exam/test and hardware**
Lenticular	$116 max	
Frames	$100 max	**$90 max**
Elective Contacts	$130 max	**Covered in Full, $170 max**
Benefit Frequencies (E / L / F / C)		**12 / 12 / 24 / 12 in lieu of glasses**
Non-Network Benefits		**Scheduled**

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City of Palmer
COBRA Administration
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline	Renewal
Administrator	Navia
New Hire / Initial Notices	Included
Qualifying Event Notices	Included
Conversion of Current COBRA Participants	Not Included
Open Enrollment Notification Packet	Per Notice Fee
Premium Payments Remitted To	Carrier or Client
2% COBRA Admin Fee Retained By	Administrator
Rate Guarantee	1 Year

Rates & Total Cost

Eligible Employees	62
Number of COBRA Participant Families	0
Set-Up Fee	Waived
Renewal or Annual Fee	Waived
Monthly Administration Fee	$70
Per Employee Monthly Fee	$0.00
Per COBRA Participant Monthly Fee	$5
Per Notice Fee	N/A
Minimum Monthly Fee	$100
Estimate Annual Total	**$840.00**

City of Palmer
Flexible Spending Account
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline		Renewal
Administrator	Navia	
Annual Contribution Maximum		
Section 125 Health Care	62	$2,750
Section 129 Dependent Care	-	$5,000
Web Based Administration		Included
2.5 Month Grace Period Extension?		Optional
$500 carryover		Optional
Rate Guarantee		1 year

Fees & Total Cost

Per Participant/Account Per Month Fee	$5.75
Debit Card Fee	Included
Set-Up Fee	NA
Renewal or Annual Fee	$300
Per Participant Annual Fee	$0.00
Minimum Monthly Fee	$50
Total Annual Cost	**$1,197**

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City of Palmer
Healthcare Spending Account
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline		Renewal
Administrator		**Navia**
Annual Contribution Maximum		
Individual	30	**$3,550**
Family	30	**$7,100**
Web Based Administration		Included
Investment Options		Included
Rate Guarantee		1 year

Fees & Total Cost

Per Participant/Account Per Month Fee	$2.50
Debit Card Fee	Included
Set-Up Fee	Waived
Minimum Monthly Fee	50
Total Annual Cost	**$600**

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City of Palmer
Healthcare Reimbursement Account
Benefit Outline and Cost Summary
March 1, 2020

Benefit Outline	Renewal
Administrator	**Navia**
Plan Document and SPD Creation	Included
Non-Discrimination Testing	Included
Form 5500 Preparation	Included
Online Account Access	Included

Fees & Total Cost	
Per Participant/Account Per Month Fee	$5.00
Debit Card Fee	Included
Set-Up Fee	Waived
Total Annual Cost	**$3,720**

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APPENDIX 3: SAMPLE EMPLOYEE BENEFITS GUIDE

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SAMPLE
Benefits Enrollment Guide

Plan Year
Sample Copy
2018-2019

WHAT'S INSIDE THIS GUIDE?

Introduction..... .3
Employee Contribution Rates.....3
Get More Value From Your Plans..... .4
Medical Benefits.....5
Health Savings Account.....8
Dental Benefits.....9
Vision Benefits.....10
Flexible Spending Accounts..... 11
Life/AD&D Benefits.....12
Assistance Programs..... 12
Contact Numbers & Website Links.....13
The Benefit Resource Center.....13
Required Notifications.....14

As an employee, the health benefits available to you represent a significant component of your compensation package. They also provide important protection for you and your family in the case of illness or injury. Choosing a health coverage option is an important decision. To help you make an informed choice, your plan makes available a Summary of Benefits and Coverage (SBC), which summarizes important information about any health coverage option in a standard format, to help you compare your options.

This benefit summary has been prepared to help you review the key factors that are associated with our benefit plans. This summary does not provide all of the contractual provisions, limitations or exclusions included in our policies and should be considered only as a summary of our current benefits. If any differences exist between this summary and the official contracts, the contracts shall prevail.

Introduction

At ABC Company we value each and every employee. Our commitment to our employees is to provide an enriching environment where employees are engaged and are proud to be part of the ABC Company family.

The cost of health care and other benefits continue to rise year after year. Each year, we analyze our costs and try to manage increases by reviewing our plans and benefit providers. We are conscious of the fact that changing health insurance plans is often difficult for our employees, so whenever possible, we work with our benefit providers to create solutions that will work financially and will be less disruptive.

Employers across the country are all facing the same challenge. But the fact is that 70 percent of health care costs are due to preventable conditions that cost the U.S. health care system about $100 billion every year. Smoking, obesity, and high blood pressure are all preventable or treatable conditions that, left untreated, can lead to such illnesses as cancer, Type II Diabetes, or heart failure.

ABC Company continues to promote a culture of health and wellness, establishing a work environment that promotes healthy lifestyles, decreases the risk of disease, and enhances your quality of life.

Eligibility

To be eligible for benefits you must be working at least 24 hours per week. New hires are eligible first of the month following 60 days of employment. Your legal spouse or domestic partner is also eligible. Your children are eligible to age 26, regardless of student, marital or dependent status.

Employee Contribution Rates

Effective January 1, YEAR

For your reference we have listed your employee contributions for our benefit plans listed below:

	Employee	Employee & Spouse	Employee & Child(ren)	Employee, Spouse & Child(ren) (Family)
Base United Healthcare QHDHP Medical Plan				
Employee Cost	$0.00	$704.18	$563.35	$1,408.34
Buy-up United Healthcare Choice Plus PPO Plan				
Employee Cost	$257.88	$1,219.95	$1,027.54	$2,181.99
Delta Dental of Washington Plan				
Employee Cost	$0.00	$41.03	$41.03	$82.11
Vision Service Plan (VSP) Signature Plan				
Employee Cost	$0.00	$3.54	$3.74	$9.64

For domestic partners that do not qualify as dependents under Section 152 of the Internal Revenue Code, premium associated with domestic partner coverage will be paid by the employee with after-tax dollars.

Unless otherwise requested, premiums will automatically be deducted on a pre-tax basis.

GET MORE VALUE FROM YOUR PLANS

Minimize your out-of-pocket expenses

Your medical, dental and vision plans cover both in-network and out-of-network providers. By using providers and facilities that are part of your network you will have a higher level of coverage and protect yourself from "balance billing". When you seek care from a provider that is outside your network you may need to submit your claims for reimbursement and in addition to your share of the bill, you will be responsible for any amounts above the plans allowable amount for the care received.

Use the Emergency Room ONLY for emergencies

What are your options? You may want to consider the following the next time you need care:

For a Life Threatening Emergency

In a true medical emergency – such as an apparent heart attack, serious injury, or other life-threatening situation – always call 911 or your local emergency number right away!

For Less Critical Issues, if the emergency is NOT life threatening

- Call your physicians office (even after hours, someone is typically on call to answer questions). Your doctor will know you and your medical history and may be able to schedule you for a visit the same (or next) day.
- If your condition starts or worsens on the weekend, or after your doctor's office has closed for the day, you may want to consider a visit to an Urgent Care facility. These clinics are not affiliated with hospitals, but they do have doctors and nurses on staff and are open in the evenings and on weekends.

If You are Travelling and You Need Urgent Care

Your medical plan covers urgent care. An urgent condition is one that requires immediate care, but isn't life-threatening. If you seek urgent care while traveling, you or someone acting on your behalf should notify your doctor within 48 hours of the onset of the urgent condition.

Annual physical exams and cancer screening tests are 100% covered!

Take advantage of the fact the Medical plans covers In-Network scheduled annual physical exams and cancer screening tests related to the physical exam at 100%, deductible waived. However keep in mind that if your physician orders a test that isn't part of the scheduled preventative care exam/test, those procedures may result in some out-of-pocket expense for you. It's always a good idea to check with your doctor's office before your visit, to see what tests or exams are planned. Then, call your health plan to make sure you understand if and how those tests will be covered.

Save tax dollars and enroll in a Flexible Spending Account

For those medical, dental or vision care expenses (copays, deductibles, etc) that you do pay for out-of-pocket, don't forget to take advantage of the Health Care Flexible Spending Account. You can set aside up to $2,550 a year on a before-tax basis and then reimburse yourself for eligible expenses. Please call PacificSource Administrators at 800-422-7038 for more information.

MEDICAL BENEFITS

A PPO medical plan allows you to see any provider without a physician referral. The level of benefits you receive is dependent upon your choice of an in-network PPO provider or an out-of-network provider. Significantly higher benefits will be received when you obtain care from an in-network provider.

Everyone has different medical benefit needs. ABC Company offers two Preferred Provider (PPO) medical plans through United Healthcare (UHC). To find a provider, visit www.uhc.com. Please see your Booklet or Carrier Benefit Summary for more information.

Base Qualifying High Deductible Plan (QHDHP)

Calendar Year Deductible	Individual/Employee Enrollment: $3,000 In-Network / $ 6,000 Out-of-Network Family Aggregate** Enrollment: $6,000 In-Network / $12,000 Out-of-Network
Calendar Year Out-of-Pocket Maximum	Individual/Employee Enrollment: $5,000 In-Network / $10,000 Out-of-Network Family Aggregate** Enrollment: $10,000 In-Network / $20,000 Out-of-Network (Includes calendar year deductible, coinsurance and copays)
Employer HSA Contribution	YEAR: Employee Only Enrollment: $1,500 Family Enrollment: $3,000

Base QHDHP Choice Plus Medical Plan	In-Network	Out-of-Network
Coinsurance	80% unless otherwise noted below	50% unless otherwise noted below
Physicians Office Visit	80%	50%
Specialists Office Visit	80%	50%
Preventive Care Services	100% (dw)	Not covered
Diagnostic X-Ray & Laboratory	80%	50%
Hospitalization		
• **Inpatient**	80%	50%
• **Outpatient**	80%	50%
Emergency Room	80%	80%
Urgent Care	80%	50%
Mental Health / Chemical Dependency		
• **Inpatient**	80%	50%
• **Outpatient**	80%	50%
Alternative Care		
• **Acupuncture (12 visits PCY)**	80%	50%
• **Spinal Manipulation (20 visits PCY)**	80%	50%
Prescription Drugs (Retail)	Coinsurance after the deductible	Coinsurance after the deductible
• **Tier 1**	You pay 20%	You pay 50%
• **Tier 2**	You pay 20%	You pay 50%
• **Tier 3**	You pay 20%	You pay 50%
• **Maximum Day Supply**	31 days	31 days
Prescription Drugs (Mail Order)	Coinsurance after the deductible	
• **Tier 1**	You pay 20%	N/A
• **Tier 2**	You pay 20%	N/A
• **Tier 3**	You pay 20%	N/A
• **Maximum Day Supply**	90 days	N/A

PCY = per calendar year; (dw) = deductible waived

** **Aggregate Deductible**: If more than one person is covered on the Qualified High Deductible Medical Plan, the family deductible will need to be satisfied before services are covered for any one covered individual. In addition, the family out-of-pocket maximum will also apply for services obtained by any one covered individual.

MEDICAL BENEFITS

Buy-up PPO Plan

Calendar Year Deductible	$1,500 In-Network / $3,000 Out-of-Network (2x family maximum)
Calendar Year Out-of-Pocket Maximum	$4,000 In-Network / $8,000 Out-of-Network (2x family maximum) (Includes calendar year deductible, coinsurance and copays)

Medical PPO Buy-up Choice Plus Plan	In-Network	Out-of-Network
Coinsurance	70% unless otherwise noted below	50% unless otherwise noted below
Physicians Office Visit	$30 copay, (dw)	50%
Specialists Office Visit	$30 copay, (dw)	50%
Preventive Care Services	100% (dw)	Not covered
Diagnostic X-Ray & Laboratory		
• **Routine Outpatient**	100% (dw)	50%
• **Major (MRI, MRA, PET, CT, Nuclear)**	70%	50%
Hospitalization		
• **Inpatient**	70%	50%
• **Outpatient**	70%	50%
Emergency Room	70%	70%
Urgent Care	$30 copay, (dw)	50%
Mental Health / Chemical Dependency		
• **Inpatient**	70%	50%
• **Outpatient**	100% (dw)	50%
Alternative Care		
• **Acupuncture (12 visits PCY)**	$30 copay, (dw)	50%
• **Spinal Manipulation (20 visits PCY)**	$30 copay, (dw)	50%
Prescription Drugs (Retail)		
• **Prescription Deductible**	$100 per person (3x family)	Shared with In-Network
• **Generic**	$10 copay	$10 copay + any price difference
• **Preferred Brand**	$30 copay	$30 copay + any price difference
• **Non-Preferred Brand**	$50 copay	$50 copay + any price difference
• **Maximum Day Supply**	31 days	31 days
Prescription Drugs (Mail Order)		
• **Prescription Deductible**	$100 per person (3x family)	
• **Generic**	$25 copay	N/A
• **Preferred Brand**	$75 copay	N/A
• **Non-Preferred Brand**	$125 copay	N/A
• **Maximum Day Supply**	90 days	N/A

PCY = per calendar year; (dw) = deductible waived

Out of Area Benefits

Individuals on the United Healthcare plan are able to receive the In-network level of benefits while traveling or living outside of Washington through the United Healthcare national network. If you obtain care from provider who is not contracted with United Healthcare, the claim will be processed at the Out-of-Network level, and you may also be responsible for any charges above the Usual Customary Rate (UCR) or allowable amounts as well as the applicable coinsurance and deductible.

MEDICAL – ADDITIONAL INFORMATION

24-hour Nurse help line - Phone Number 1.800.846.4678

Registered Nurses are available to consult with callers regarding health concerns, answer questions about diseases, medications and medical tests as well as discuss what to ask your doctor. This resource can help you to become better educated about your healthcare decisions. Other information on exercise, nutrition, alternative health care and other wellness topics is also available. The Nurse Line does not diagnose; however having access to additional information can often put your mind at ease. The Nurse Line consultants specialize in helping you find the resources that are right for you and your family.

SIMPLYENGAGED

Take control of your health and be rewarded

SimplyEngaged® is a personal health and wellness program which allows you to earn valuable rewards for your activity. Your participation in the health and wellness program allows you to earn valuable gift cards valid at hundreds of national retailers when you complete these wellness activities.

Follow these steps for your personal health and wellness program

1. Complete an online health assessment

- Go to **myuhc.com®**
- If you already registered, log in to your account with your user name and password. If you are not registered, you must register with **myuhc.com** to access the Online Health Assessment. Follow the easy steps under *"Register Now"*.
- After you are logged into **myuhc.com**, click on the *"Health Assessment"* button, and follow the instructions to get started.

2. Complete an Online Program

- Following completion of the Online Health Assessment you can visit **myuhc.com** to access the Online Program.
- Click the *"Health and Wellness"* tab, then select *"I Do"* and *"Add Programs"* to get started. Completing a Health Assessment may auto-enroll you in a coaching program, based on your personalized needs.

3. Complete a telephone-based Health Coaching program

- You must complete the Health Assessment* first in order to participate in the Health Coaching program.
- Once you've completed the Health Assessment, call the Health Coach at 1-800-478-1057 to begin working on your personal health improvement plan.

Please call 1-877-818-5826 if you have questions about your rewards.

HEALTH SAVINGS ACCOUNT (HSA)

If you enroll in the Base QHDHP medical plan, and have no other disqualifying coverage, ABC Company will contribute $1,500 (employee only enrollment) or $3,000 (family enrollment) into an HSA account with Optum Bank. This contribution will be prorated and contributed monthly ($125 employee only enrollment; $250 family enrollment) and once made belongs to you. These funds provide first-dollar coverage for eligible Section 213(d) qualified health expenses. Your HSA account balance rolls over from year to year, so the money remains available to you when you need it.

All employees who enroll for the first time in the Base QHDHP medical plan will need to complete an application to open a HSA at Optum Bank to receive the employer contribution and make any elected payroll deferrals. Should you elect to open your HSA at another bank, you will be responsible for all account fees at that institution. Please visit www.welcometouhc.com for addition information on Health Savings Accounts and to review Optum Bank's investment options.

Health Savings Accounts and Disqualifying Coverage: Enrollment in other non-QHDHP health coverage, including Medicare, Tricare, a spouses non-QHDHP medical plan and a general purpose health FSA (ABC Company or your spouses), is generally considered disqualifying coverage. Disqualifying coverage will prohibit you from contributing to a HSA, as well as receiving the employer contribution to the HSA.

Health Savings Accounts and Domestic Partners: While you may enroll your domestic partner in our benefit plans, the expenses for non-tax dependent domestic partners are generally not eligible for reimbursement through a HSA under IRS regulations. However, they may be able to open their own HSA, assuming they have no other disqualifying coverage.

Each year IRS establishes the calendar year statutory HSA maximum contribution based on enrollment in a QHDHP. The maximum you can contribute is the difference between the IRS statutory contribution limit based on your enrollment and the contribution you receive from ABC Company. You may change your payroll deductions to your HSA on a monthly basis.

	Calendar Year HSA Contribution Limits	
QHDHP Medical Plan Enrollment	**Calendar Year YEAR**	**Calendar Year YEAR**
Employee Only Enrollment Maximum	$3,300	$3,350
Employee + 1 or more Enrollment Maximum	$6,550	$6,650
HSA Account Owners Age 55 or Over	Additional $1,000 "Catch-up"	Additional $1,000 "Catch-up"

DENTAL BENEFITS

Regular dental care is essential to good health. ABC Company provides you with dental benefits through Delta Dental of Washington.

SUMMARY OF DENTAL BENEFITS

In-Network vs. Out-of-Network

The ABC Company's Dental Plan is designed to provide the dental coverage you need with the features you want. Take advantage of what this plan has to offer without compromising what matters most - including the freedom to visit the dentist of you and your dependents choice – an "in-network" dentist or an "out-of-network" dentist.

For the best savings, use a Delta Dental of Washington Preferred (PPO) or Premier dentist or specialist. You can find a dentist by visiting www.deltadentalwa.com. You can also call Delta Dental at 800-554-1907. Just show your dental plan card when you visit the dentist. If you choose a dentist who does not participate in our dental plan, your out-of-pocket expenses may be more, since you will be responsible for paying any difference between the dentist's fee and the plan's payment for the approved service.

Be prepared and plan ahead

If Dental work is required, request a pretreatment estimate from your Dentist. Your Dentist will contact Delta Dental of Washington. You and your dentist can review your care and costs before treatment. It's a great way to be prepared and plan ahead.

Delta Dental of Washington Dental Plan	Delta Dental PPO	Delta Dental Premier or Out-of-Network
Calendar Year Deductible	$50 per person (3x family)	Shared with PPO Providers
Preventive Care/Diagnostic	100% (dw)	80% (dw)
• **Oral Examinations, Topical Fluoride Application, X-Rays, Sealants**		
Basic Restorative	80%	70%
• **Endodontics (root canal), Oral surgery, Filings, Periodontics**		
Major Restorative	50%	40%
• **Bridges, Dentures, Crowns, Partials, Implants**		
Calendar Year Benefit Maximum	$2,000 per person	Shared with PPO Providers

Frequency limitations may apply – see you dental booklet for additional information.

(dw) = deductible waived

VISION BENEFITS

ABC Company offers vision insurance through Vision Service Plan. To find a participating eye care provider or to review your plan coverage before your appointment, visit www.vsp.com or call 800-877-7195.

SUMMARY OF VISION BENEFITS

Using your vision benefit is easy!

VSP Signature Plan	In-Network	Out-of-Network
Copays		
• **Vision Exam**	$10 copay	
• **Hardware**	$20 copay	
• **Contact Fitting/Evaluation**	Up to $60	
Exam		
• **Benefit**	100%	Up to $50 reimbursement
• **Frequency**	12 months	12 months
Hardware - Lenses		
• **Single Vision**	100%	Up to $50 reimbursement
• **Bifocal**	100% Lined lens	Up to $75 reimbursement
• **Trifocal**	100% Lined lens	Up to $100 reimbursement
• **Frequency**	12 months	12 months
Hardware - Frames		
• **Benefit**	100% to $130	Up to $70 reimbursement
• **Frequency**	24 months	24 months
Contact Lenses (in lieu of Lenses & Frames)		
• **Elective**	100% to $130	Up to $105 reimbursement
• **Frequency**	12 months	12 months

FLEXIBLE SPENDING ACCOUNTS

General Purpose Healthcare Expense Account

The healthcare expense account allows you to fund out-of-pocket medical, dental and vision expenses, such as copays, coinsurance and deductibles, for you, your spouse and eligible children with pre-tax dollars. By paying for out-of-pocket health expenses with pre-tax dollars, you will save a minimum of $.23 per dollar because you do not pay Federal Income Tax or FICA tax on your contributions.

Limited Purpose Healthcare Expense Account

If you enroll in the Base QHDHP medical plan you are not allowed to enroll in a General Purpose Healthcare Expense Account if you also wish to contribute to a Health Savings Account/HSA. However, you may enroll in a Limited Purpose Healthcare FSA, which allows you to pay for eligible dental expenses and vision expenses with pre-tax dollars.

NOTE: IRS regulations do not allow Domestic Partner claims to be submitted for reimbursement through the Healthcare expense account unless they qualify as a tax dependent under Code Section 152.

The IRS does allow eligible expenses for Non-Tax dependent children who are 26 or younger as of December 31st, to be run through the Healthcare Expense Account.

Over the counter (OTC) drugs and medicines are no longer eligible for reimbursement from your FSA Healthcare Expense Account, unless prescribed by a doctor.

ABC Company allows a voluntary contribution of up to **$2,550 per plan year** into the General Purpose or the Limited Purpose healthcare expense account.

Dependent Care Account

This account allows you to fund the costs of eligible dependent care on a pre-tax basis. Generally, eligible dependents are under age 13 and the care must be provided by a dependent care center or by an individual who can provide a name, address, and taxpayer identification number. You may contribute up to a maximum of **$5,000 per household, per tax year**. Although you may not take the childcare tax credit if you choose this option, you may save more depending on your income level. See your PacificSource enrollment kit for additional information on this account. You are also encouraged to contact PacificSource to discuss the rules this account prior to making your election.

What are the risks of FSAs?

FSAs should only be considered for anticipated expenses. You should be conservative when estimating the amount to contribute to each account. If you overestimate your expenses and have money left in the account at the end of the plan year, it will be forfeited. For a small percentage of participants, Social Security retirement benefits may be affected by participating in FSAs. Participation in this plan reduces your W-2 income, on which retirement benefits are based.

LIFE/AD&D INSURANCE BENEFIT

ABC Company offers Basic Life, Accidental Death and Dismemberment (AD&D) at no cost to you.

SUMMARY OF BENEFITS

Benefit Type	Summary
Basic Life	1 times annual compensation to $100,000 Benefits are reduced to 65% of original benefit at age 70 and to 50% of original benefit at age 75.
AD&D	Equal to the life benefit in case of accidental death; dismemberment based on schedule of loss.

ASSISTANCE PROGRAMS

Benefit eligible employees additionally have access to a free, confidential Employee Assistance Program (EAP) and a Travel Assistance program through The Standard and FrontierMedEx.

When you need help with work, home, personal or family issues, The Standard's EAP is here at no charge to you and your benefit eligible family members. The purpose of an EAP is to talk with the individual to define their problem, suggest short-term problem solving steps and refer to other community resources if necessary. This is called the Assessment Process and is usually accomplished in a few minutes. In addition, the EAP provides up to three (3) face to face counseling sessions per issue at no cost. Please be assured that the services provided to you through our EAP are completely confidential.

Available 24/7, 365 days a year: 888-293-6948

The FrontierMedEx Travel Assistance program is available to you and your benefit eligible family members 24/7 when you are more than 100 miles away from home. Your Travel Assistance can assist you with a wide variety of services including pre-trip planning, medical assistance services, emergency transportation service, lost ticket and passport replacement, translation services, even missing baggage. The FrontierMedEx program is not insurance but a helping hand when you have a travel emergency.

In the U.S. and US Territories: 800-527-0218

Outside the U.S., call collect: 1-410-453-6330

CONTACT NUMBERS & WEBSITE LINKS

We encourage all of our employees and their families to become familiar with and use the resources offered. Below is a list of websites and telephone numbers where you can obtain information about your benefit plan coverage. In most cases, you can register to securely access your benefit information online. This will enable you to review important information about your coverage, locate a doctor, view your claims history and research various health related topics.

Medical Plan Plans	United HealthCare Insurance Company Group Number: 12345	Website: www.uhc.com Phone Number: 866-633-2446
Dental Plan	WHIT/Delta Dental of Washington Group Number: 12345	Website: www.deltadentalwa.com Phone Number: 800-554-1907
Vision Plan	Vision Service Plan Group Number: 12345	Website: www.vsp.com Phone Number: 800-877-7195
Group Life/AD&D	PSET/The Standard Group Number: 12345	Website: www.standard.com Phone Number: 800-628-8600
Employee Assistance Program	The Standard Login ID: xxxxx / password: xxxxx	Website: www.eapbda.com Phone Number: 888-293-6948
Travel Assistance Program	The Standard & FrontierMedEx Group Number: 12345	U.S. Phone Number: 800-527-0218 International Collect: 1-410-453.6330
Flexible Spending Accounts	PacificSource	Website: www.pacificsource.com/psa Phone Number: 800-422-7038

THE BENEFIT RESOURCE CENTER

The USI Resource Center is designed to provide you with a responsive, consistent, hands-on approach to benefit inquiries. Benefit Specialists are available to research and solve elevated claims, unresolved eligibility problems, and any other benefit issues with which you might need assistance. The Benefit Specialists are experienced professionals and their primary responsibility is to assist you.

The Specialists in the Benefit Resource Center are available Monday through Friday 8:00 AM to 5:00 PM (Pacific Time). If you need assistance outside of regular business hours, please leave a message and one of the Benefit Specialists will promptly return your call or e-mail message by the end of the following business day.

Call Toll Free 866-468-7272 Monday through Friday 8:00am to 5:00pm PT

INSERT ABC
COMPANY LOGO HERE

This guide is provided to you by ABC Company and USI.

These pages summarize benefits of the plan(s). The Subscriber Certificate(s) and applicable riders define the terms and conditions of these benefits in greater detail. Should any questions arise; the certificate(s) and riders will govern.

REQUIRED NOTIFICATIONS

Important Legal Notices Affecting Your Health Plan Coverage

THE WOMEN'S HEALTH CANCER RIGHTS ACT OF 1998 (WHCRA)

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan. Therefore, the following deductibles and coinsurance apply:

Base QHDHP In-Network: $3,000 deductible / 80% coinsurance
Buy-up PPO In-Network: $1,500 deductible / 70% coinsurance

NEWBORNS ACT DISCLOSURE – FEDERAL

Group health plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

NOTICE OF SPECIAL ENROLLMENT RIGHTS

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). However, you must request enrollment within 31 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).

In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must request enrollment within 31 days after the marriage, birth, adoption, or placement for adoption.

Further, if you decline enrollment for yourself or eligible dependents (including your spouse) while Medicaid coverage or coverage under a State CHIP program is in effect, you may be able to enroll yourself and your dependents in this plan if:

- coverage is lost under Medicaid or a State CHIP program; or
- you or your dependents become eligible for a premium assistance subsidy from the State.

In either case, you must request enrollment within 60 days from the loss of coverage or the date you become eligible for premium assistance.

To request special enrollment or obtain more information, contact person listed at the end of this summary.

CONTACT INFORMATION

Questions regarding any of these rights can be directed to:
INSERT INDIVIDUAL NAME
INSERT COMPANY NAME
INSERT ADDRESS
INSERT PHONE NUMBER

As a participant in the Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all participants shall be entitled to:

Receive Information about Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, the Plan and Plan documents, including the insurance contract and copies of all documents filed by the Plan with the U.S. Department of Labor, if any, such as annual reports and Plan descriptions.
- Obtain copies of the Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report, if required to be furnished under ERISA. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report, if any.

Continue Group Health Plan Coverage

If applicable, you may continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the plan as a result of a qualifying event. You and your dependents may have to pay for such coverage. Review the summary plan description and the documents governing the Plan for the rules on COBRA continuation of coverage rights.

If you have creditable coverage from another plan, you may be entitled to a reduction or elimination of exclusionary periods (if applicable) of coverage for preexisting conditions under your group health plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the plan, when you become entitled to COBRA continuation of coverage, when COBRA continuation of coverage ceases, if you request before losing coverage or if you request it up to 24 months after losing coverage. Without evidence of prior creditable coverage, you may be subject to a preexisting condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for operation of the Plan. These people, called "fiduciaries" of the Plan, have a duty to operate the Plan prudently and in the interest of you and other Plan participants.

No one, including the Company or any other person, may fire you or discriminate against you in any way to prevent you from obtaining welfare benefits or exercising your rights under ERISA.

Enforce your Rights

If your claim for a welfare benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have a right to have the Plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce these rights. For instance, if you request materials from the Plan Administrator and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent due to reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, and you have exhausted the available claims procedures under the Plan, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose (for example, if the court finds your claim is frivolous) the court may order you to pay these costs and fees.

Assistance with your Questions

If you have any questions about your Plan, this statement, or your rights under ERISA, you should contact the nearest office of the Employee Benefits and Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits and Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit www.healthcare.gov.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at www.askebsa.dol.gov or call 1-866-444-EBSA (3272).

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of July 31, YEAR. Contact your State for more information on eligibility.

ALABAMA – Medicaid	**INDIANA** – Medicaid
Website: http://www.medicaid.alabama.gov Phone: 1-855-692-5447	Website: http://www.in.gov/fssa Phone: 1-800-889-9949
ALASKA – Medicaid	**IOWA** – Medicaid
Website: http://health.hss.state.ak.us/dpa/programs/medicaid/ Phone (Outside of Anchorage): 1-888-318-8890 Phone (Anchorage): 907-269-6529	Website: www.dhs.state.ia.us/hipp/ Phone: 1-888-346-9562
ARIZONA – CHIP	**KANSAS** – Medicaid
Website: http://www.azahcccs.gov/applicants Phone (Outside of Maricopa County): 1-877-764-5437 Phone (Maricopa County): 602-417-5437	Website: http://www.kdheks.gov/hcf/ Phone: 1-800-792-4884
COLORADO – Medicaid	**KENTUCKY** – Medicaid
Medicaid Website: http://www.colorado.gov/ Medicaid Phone (In state): 1-800-866-3513 Medicaid Phone (Out of state): 1-800-221-3943	Website: http://chfs.ky.gov/dms/default.htm Phone: 1-800-635-2570
FLORIDA – Medicaid	**LOUISIANA** – Medicaid
Website: https://www.flmedicaidtplrecovery.com/ Phone: 1-877-357-3268	Website: http://www.lahipp.dhh.louisiana.gov Phone: 1-888-695-2447
GEORGIA – Medicaid	**MASSACHUSETTS** – Medicaid and CHIP
Website: http://dch.georgia.gov/ - Click on Programs, then Medicaid, then Health Insurance Premium Payment (HIPP) Phone: 1-800-869-1150	Website: http://www.mass.gov/MassHealth Phone: 1-800-462-1120
IDAHO – Medicaid	**MINNESOTA** – Medicaid
Medicaid Website: http://healthandwelfare.idaho.gov/Medical/Medicaid/PremiumAssistance/tabid/1510/Default.aspx Medicaid Phone: 1-800-926-2588	Website: http://www.dhs.state.mn.us/ Click on Health Care, then Medical Assistance Phone: 1-800-657-3629
MISSOURI – Medicaid	**RHODE ISLAND** – Medicaid
Website: http://www.dss.mo.gov/mhd/participants/pages/hipp.htm Phone: 573-751-2005	Website: www.ohhs.ri.gov Phone: 401-462-5300
MONTANA – Medicaid	**SOUTH CAROLINA** – Medicaid
Website: http://medicaidprovider.hhs.mt.gov/clientpages/clientindex.shtml Phone: 1-800-694-3084	Website: http://www.scdhhs.gov Phone: 1-888-549-0820
NEBRASKA – Medicaid	**SOUTH DAKOTA** - Medicaid
Website: www.ACCESSNebraska.ne.gov Phone: 1-855-632-7633	Website: http://dss.sd.gov Phone: 1-888-828-0059

NEVADA – Medicaid	**TEXAS** – Medicaid
Medicaid Website: http://dwss.nv.gov/ Medicaid Phone: 1-800-992-0900	Website: https://www.gethipptexas.com/ Phone: 1-800-440-0493
NEW HAMPSHIRE – Medicaid	**UTAH** – Medicaid and CHIP
Website: http://www.dhhs.nh.gov/oii/documents/hippapp.pdf Phone: 603-271-5218	Website: http://health.utah.gov/upp Phone: 1-866-435-7414
NEW JERSEY – Medicaid and CHIP	**VERMONT**– Medicaid
Medicaid Website: http://www.state.nj.us/humanservices/dmahs/clients/medicaid/ Medicaid Phone: 609-631-2392 CHIP Website: http://www.njfamilycare.org/index.html CHIP Phone: 1-800-701-0710	Website: http://www.greenmountaincare.org/ Phone: 1-800-250-8427
NEW YORK – Medicaid	**VIRGINIA** – Medicaid and CHIP
Website: http://www.nyhealth.gov/health_care/medicaid/ Phone: 1-800-541-2831	Medicaid Website: http://www.coverva.org/programs_premium_assistance.cfm Medicaid Phone: 1-800-432-5924 CHIP Website: http://www.coverva.org/programs_premium_assistance.cfm CHIP Phone: 1-855-242-8282
NORTH CAROLINA – Medicaid	**WASHINGTON** – Medicaid
Website: http://www.ncdhhs.gov/dma Phone: 919-855-4100	Website: http://www.hca.wa.gov/medicaid/premiumpymt/pages/index.aspx Phone: 1-800-562-3022 ext. 15473
NORTH DAKOTA – Medicaid	**WEST VIRGINIA** – Medicaid
Website: http://www.nd.gov/dhs/services/medicalserv/medicaid/ Phone: 1-800-755-2604	Website: www.dhhr.wv.gov/bms/ Phone: 1-877-598-5820, HMS Third Party Liability
OKLAHOMA – Medicaid and CHIP	**WISCONSIN** – Medicaid
Website: http://www.insureoklahoma.org Phone: 1-888-365-3742	Website: http://www.badgercareplus.org/pubs/p-10095.htm Phone: 1-800-362-3002
OREGON – Medicaid	**WYOMING** – Medicaid
Website: http://www.oregonhealthykids.gov http://www.hijossaludablesoregon.gov Phone: 1-800-699-9075	Website: http://health.wyo.gov/healthcarefin/equalitycare Phone: 307-777-7531
PENNSYLVANIA – Medicaid	
Website: http://www.dpw.state.pa.us/hipp Phone: 1-800-692-7462	

To see if any other states have added a premium assistance program since July 31, YEAR, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.mns.hhs.gov
1-877-267-2323, Menu Option 4, Ext. 6165

APPENDIX 4: SAMPLE SERVICE CALENDAR

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USI Sample Service & Compliance Calendar

Plan Year[1]: January 1, 2019 – Will be customized with the City of Seward

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
CURRENT STANDARD MEASUREMENT PERIOD (SMP) FOR ONGOING EMPLOYEES					
• Wellness: Get Active Wherever You Are • Employer Penalty effective for all large employers (50+) • 1/31 – Distribute form W-2 to employees with applicable benefit information[3] • OOPMs & HSA/QHDHP Limits[2] • Consider 105(h) and 125 plan early discrimination testing	• Post Renewal Meeting / 4th Quarter Experience Report • Population Health Management Strategy • Wellness: Heart Health • 2/28 – Send Forms 1094-C/1095-C to IRS if filing by paper • Consider issuing Medicare Part D Creditable Coverage participant notices	• Wellness: Better Nutrition Every Day • 3/1 – Medicare Part D Creditable Coverage Notice due to CMS • 3/1 – Send Forms 1094-C/1095-C to IRS if filing electronically • 3/2 - Distribute Form 1095-C to each ACA FTE • Contract & Booklet Review	• Wellness: Stress Awareness • 4/30 – Complete annual SF HCSO report	• 1st Quarter Experience Report • Wellness: Blood Pressure Matters	• Wellness: Health and Safety

JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
CURRENT STANDARD MEASUREMENT PERIOD (SMP) FOR ONGOING EMPLOYEES				ADMINISTRATIVE PERIOD	
				SUBSEQUENT SMP	
• Census Request • Pre-Renewal Meeting/2nd Quarter Experience Report • Wellness: UV Safety • 7/31 – File form 5500 (or Form 5558 for an extension) [4]	• Wellness: Immunization Awareness	• Renewal Meeting • Wellness: Cholesterol	• Wellness: Medical Prescription Safety • 10/1 – SAR due to plan participants • 10/15 - If not already provided, give participants Medicare Part D Creditable Coverage Notice	• Wellness: Diabetes Awareness • 3rd Quarter Experience Report • Open Enrollment Communications • Distribute annual legal notices with next year's enrollment materials[5]	• Wellness: Healthy Food & Holiday Fun • Perform required 125 discrimination testing

[1] The plan year is equivalent to the stability period for ongoing employees.

[2] 2019 OOPMs ($7,350/$14,700 Non-GF, $6,650/$13,300 QHDHP), QHDHP minimum deductible $1,350/$2,700, maximum HSA contribution $3,450/$6,900.

[3] Benefit information may include the value of group health plan coverage, the value of group term life in excess of $50,000, HSA contributions, or additional Medicare tax.

[4] If Form 5558 filing extension submitted, Form 5500 is due 10/15/2019 and SAR is due to plan participants by 12/17/2019.

[5] Annual notices include SBCs, HIPAA Notice of Privacy Practice, HIPAA Notice of Special Enrollment Rights, ACA Patient Protections, CHIPRA Notice, Wellness, and WHCRA Annual Notice.

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APPENDIX 5: SAMPLE RENEWAL TIMELINE

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Sample Benefits Renewal Timeline

Will be customized with the City of Palmer

SAMPLE

PRE-RENEWAL

Action	Responsibility	Due Week of	Date Completed
Request Employee Census	USI	07/15/2019	
Receive Employee Census	The City / USI	07/29/2019	
Pre-Renewal Meeting	The City / USI	08/19/2019	

MARKETING

Action	Responsibility	Due Week of	Date Completed
Carrier Renewals Due	Carriers / USI	09/30/2019	
Request for Proposal Sent to Market*	USI	09/30/2019	
Proposals Received from Market*	USI	10/7/2019	
Renewal / Analysis Meeting	The City / USI	10/28/2019	

IMPLEMENTATION

Action	Responsibility	Due Week of	Date Completed
Carrier/Benefit Decisions Due	The City	11/04/2019	
Enrollment Material	USI	11/18/2019	
Employee Meetings	USI	11/18/2019	
Open Enrollment Paperwork Complete	The City / USI	12/02/2019	
Enrollment Complete	USI	12/09/2019	

POST-RENEWAL

Action	Responsibility	Due Week of	Date Completed
Post-Renewal Meeting	The City / USI	02/24/2019	
Creditable Coverage Reminder	USI	02/17/2019	
Creditable Coverage Notification to CMS	The City	02/29/2020	

* If deemed to be necessary

APPENDIX 6: USI'S MOBILE APP INFORMATION

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Free Mobile Benefits App

Access ALL of your benefits insurance policy details and contact information while on the go!

FIND IT IN YOUR APP STORE

Search for 'USIeb' and download our free app. After scrolling through the intro pages enter this code when prompted: 716189 to access

ABC Co. benefit details.

HIGHLIGHTS OF THE USIeb APP

- Stay Organized – Access all of your plan information and cards in one place
- Stay Up To Date – Receive the most updated plan information automatically
- Lighten Up Your Wallet – Store your cards in the app
- Get In Touch – Convenient contact information

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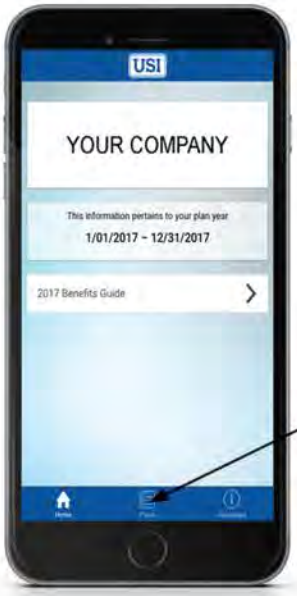
usi.com

Free
Mobile Benefits App

NAVIGATING THE MOBILE BENEFITS APP

1. Your information will appear on this home screen

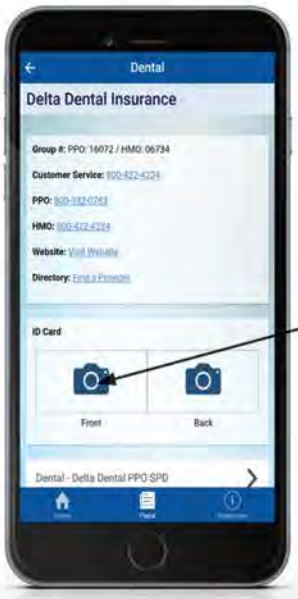


To access all policy details for the variety of benefit plans, tap here!

2. View the full menu of benefits

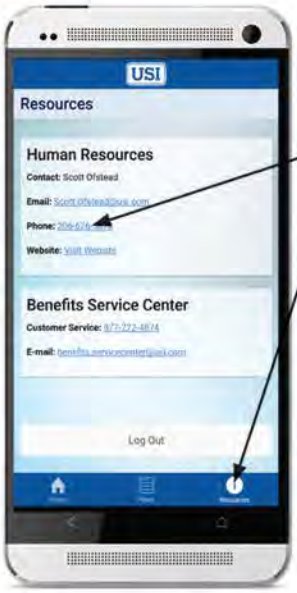
Tap the individual type of benefit plan to access contact and policy details.

3. Access policy details and store a photo of your carrier ID card



Using your smartphone take a picture of your ID card to store the information.

4. Resources Page



This page provides you contact information for your HR department.

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APPENDIX 7: THINKHR INFORMATION

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HR SERVICES

ThinkHR's Workplace Pro

USI's partnership with ThinkHR provides valuable day-to-day HR support for employee training, compensation, workplace safety and more

- Access to SPHR and PHR certified HR professionals with 99% same-day answer rate
- Award-winning online resource centers with Employee Handbook Builder module and other tools
- Over 200 online courses for employee training with detailed tracking and reporting
- Provides access to proactive news and expert analysis on employment and legislative updates

Impact and Benefits:

- ThinkHR services are valued at approximately $10/employee/month or $12,000/year for an employer with 100 employees
- Reduction of HR time spent on researching compliance and labor law issues allows them to spend time on other initiatives
- Assurance that advice is aligned with current law and regulations

Trusted, Reliable, Professional HR Resource

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APPENDIX 8: BENEFIT RESOURCE CENTER REPORT SAMPLE

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Call the Benefit Resource Center ("BRC"), We're Here To Help!

We speak insurance.

Our Benefits Specialists can help you choose the right plan for you and your family, translate confusing jargon, answer questions about which benefits are on your plan and which aren't, work directly with insurance carriers to resolve tricky issues regarding claims and denials of service—and more!

Benefit Resource Center

BRCWest@usi.com | Toll Free: 866-468-7272

ABC Company (BRC Test Client)

Benefit Resource Center Detailed Utilization Summary

1/1/2016 to 12/31/2016

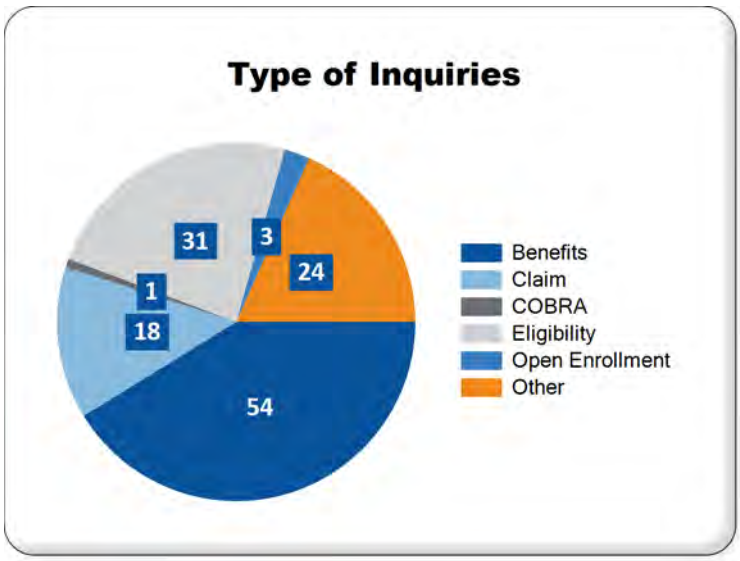
The USI Benefit Resource Center is available to all of your employees. Our BRC is designed to provide you and your employees with a responsive, consistent and hands-on approach to benefit inquiries and education. Our Benefit Specialists are available to research and resolve claim problems, participant billing and eligibility issues and many other problems with which they may need assistance.

The Benefit Specialists who staff the BRC are available Monday through Friday from 8am to 5pm. If you or your employees call outside regular business hours, a confidential message can be left on the phone or sent via e-mail or text. One of our Benefit Specialists will return the call or message the next business day.

Please have your employees contact our Benefit Specialists toll free at **866-468-7272** or via e-mail at **BRCWest@usi.com**. Below we have outlined the inquiries we have received for your employees during the indicated time period.

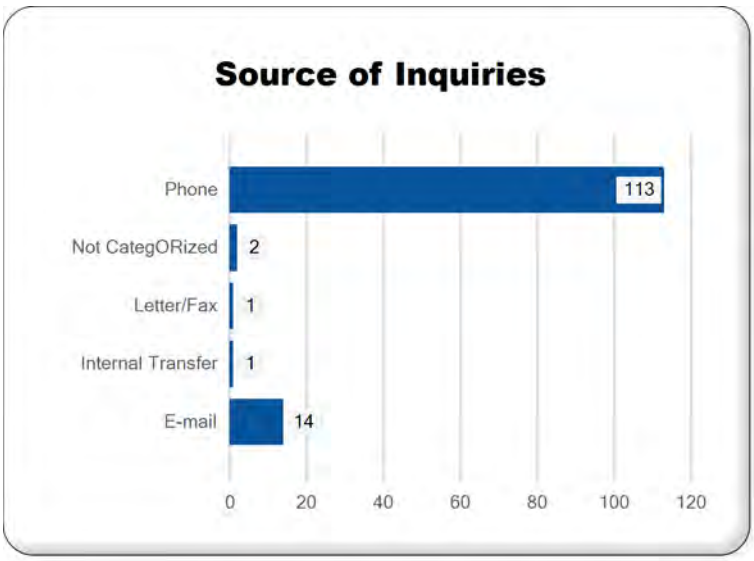
Utilization by Type of Inquiry Category

The following details the main type of inquiries received.



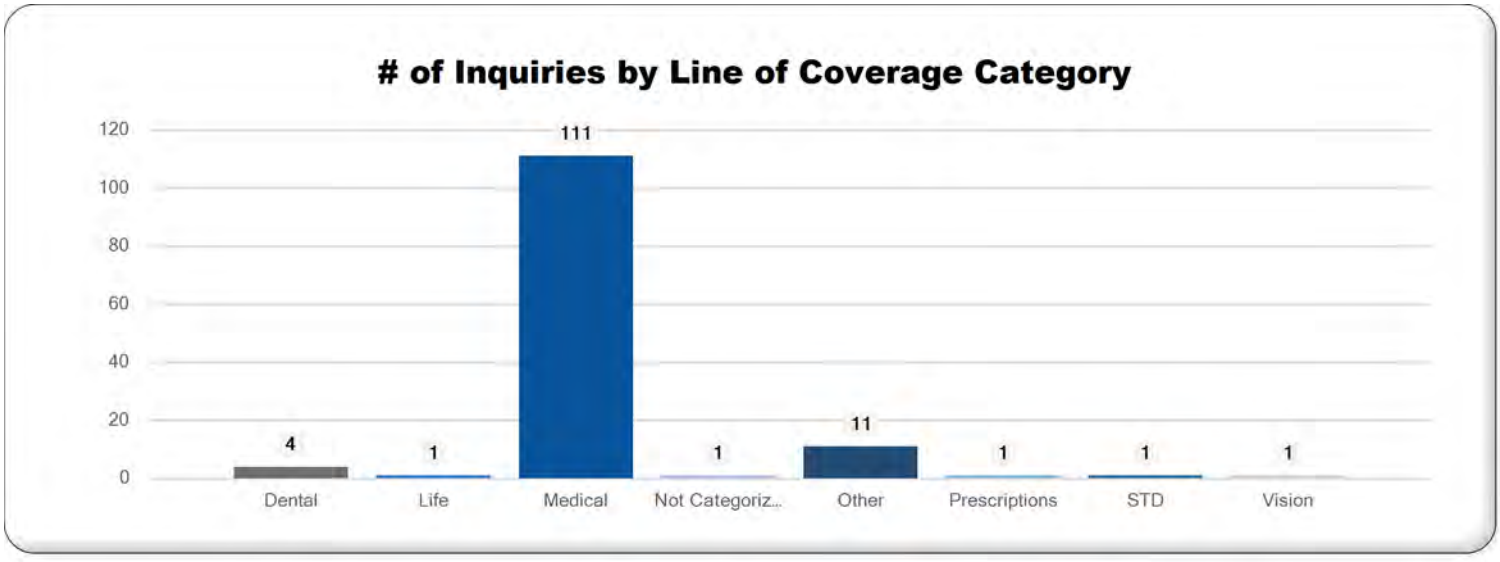
Utilization by Inquiry Source

The following details how inquiries were received.



Utilization by Line of Coverage

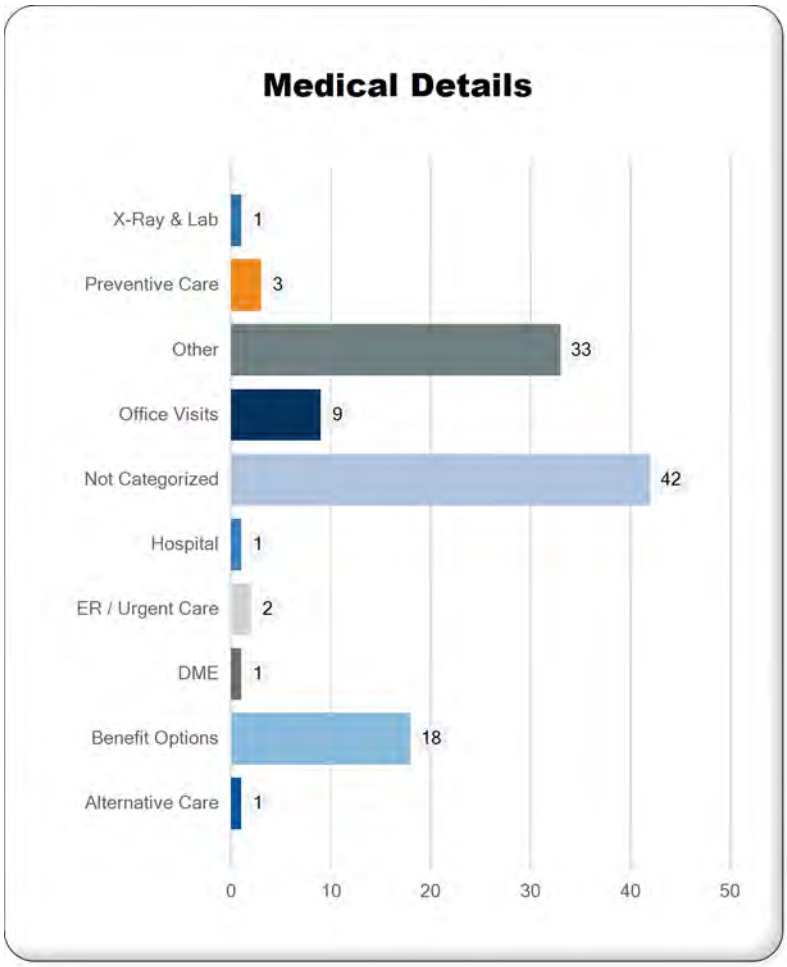
The following illustrates how many inquiries were received by Line of Coverage groupings.



Line of Coverage Detail

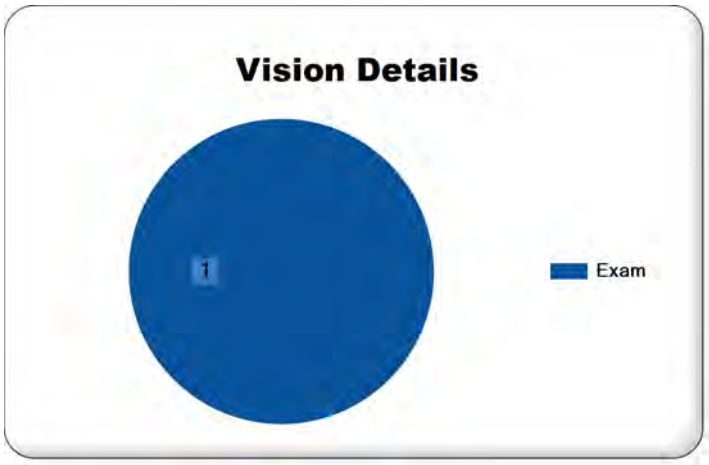
The following information provides additional details on the types of inquiries received by line of coverage.

Medical

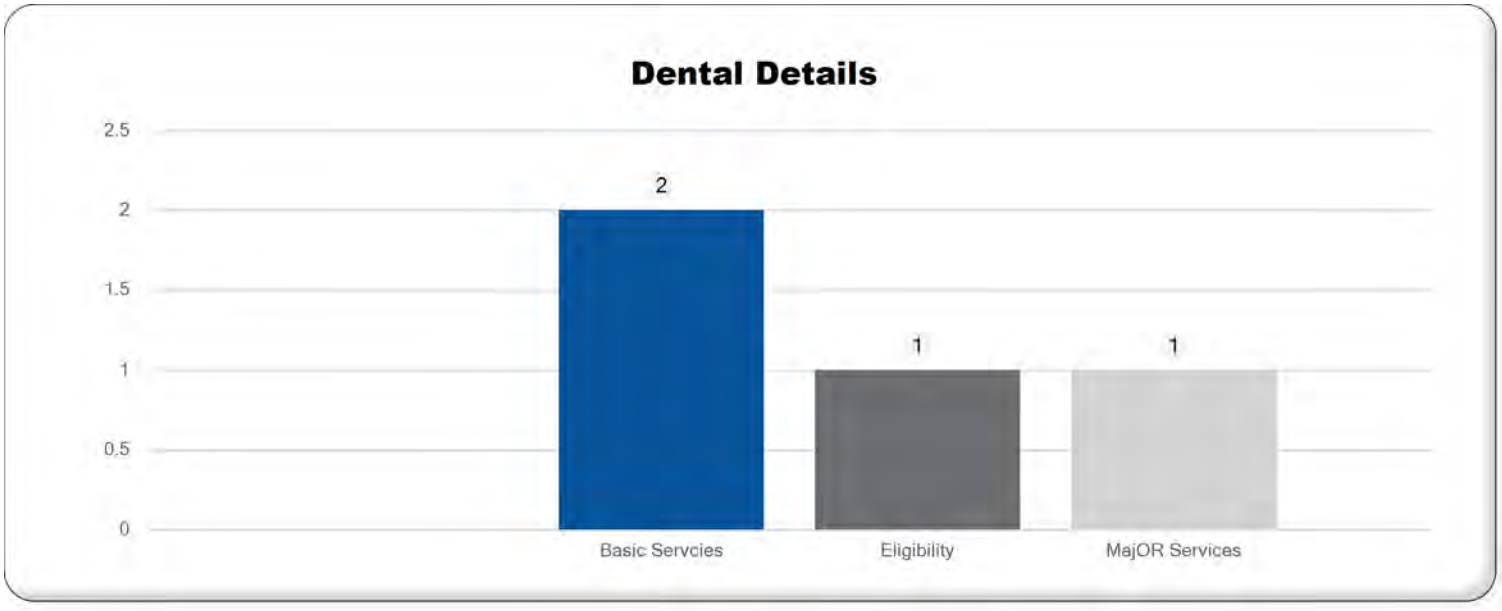


Prescription

Vision



Dental



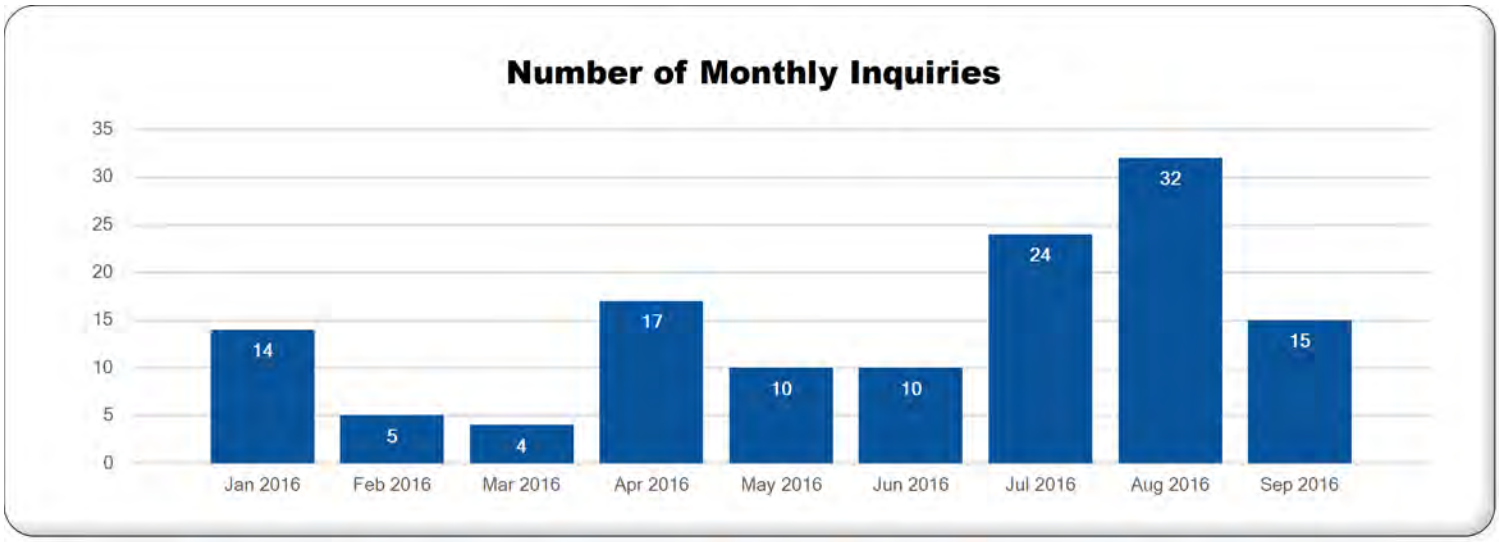
The USI Benefit Resource Center is available to all of your employees. Our BRC is designed to provide you and your employees with a responsive, consistent and hands-on approach to benefit inquiries and education. Our Benefit Specialists are available to research and resolve claim problems, participant billing and eligibility issues and many other problems with which they may need assistance.

The Benefit Specialists who staff the BRC are available Monday through Friday from 8am to 5pm. If you or your employees call outside regular business hours, a confidential message can be left on the phone or sent via e-mail or text. One of our Benefit Specialists will return the call or message the next business day.

Please have your employees contact our Benefit Specialists toll free at **866-468-7272** or via e-mail at **BRCWest@usi.com**. Below we have outlined the inquiries we have received for your employees during the indicated time period.

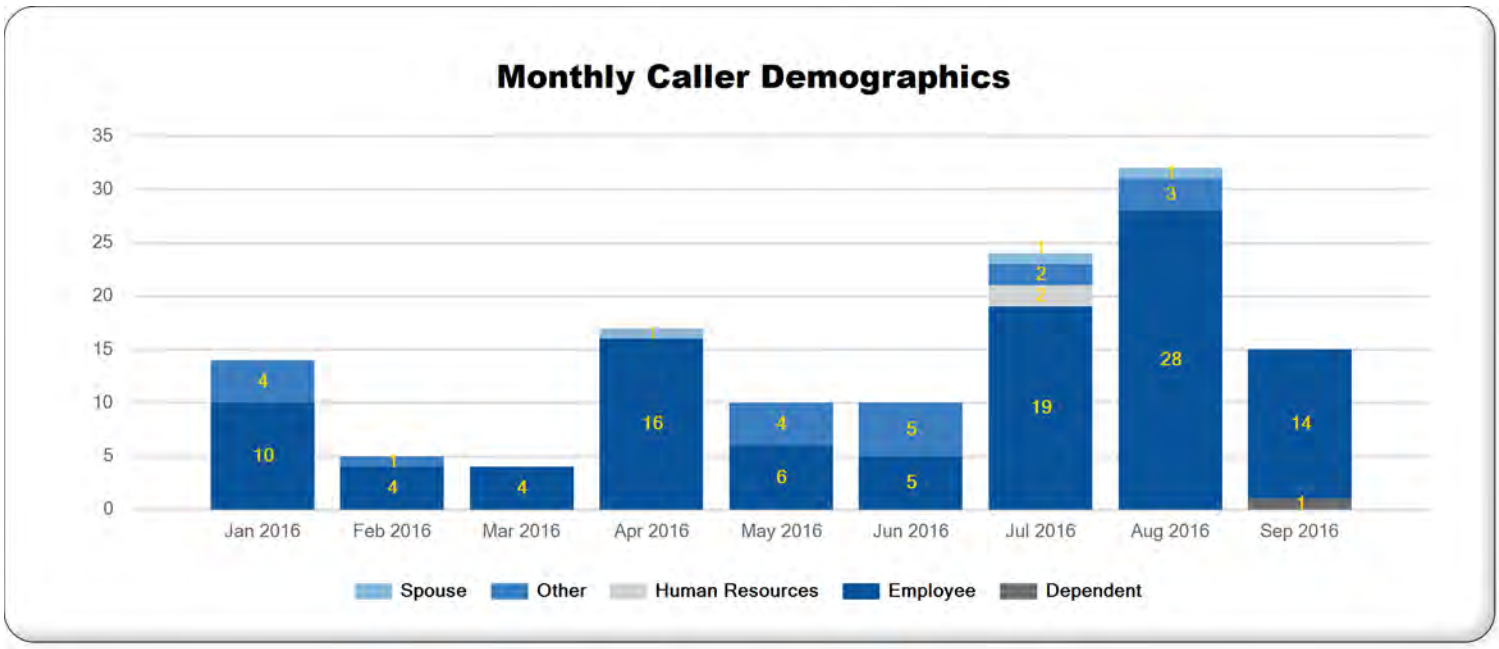
Monthly Inquiries

The following illustrates the total number of inquiries received on a monthly basis.



Monthly Caller Demographics

The following illustrates the number of inquiries by caller type.



ABC Company (BRC Test Client)
Benefit Resource Center Cost Savings Report
1/1/2016 to 12/31/2016

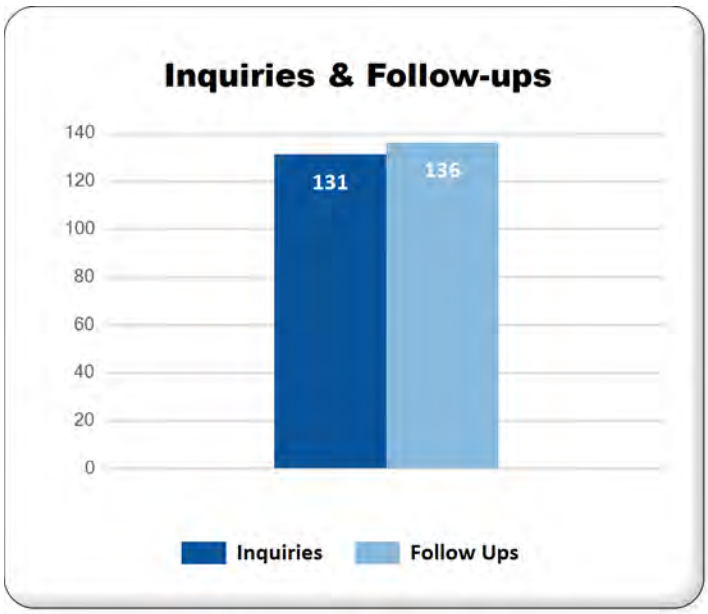
The USI Benefit Resource Center is available to all of your employees. Our BRC is designed to provide you and your employees with a responsive, consistent and hands-on approach to benefit inquiries and education. Our Benefit Specialists are available to research and resolve claim problems, participant billing and eligibility issues and many other problems with which they may need assistance.

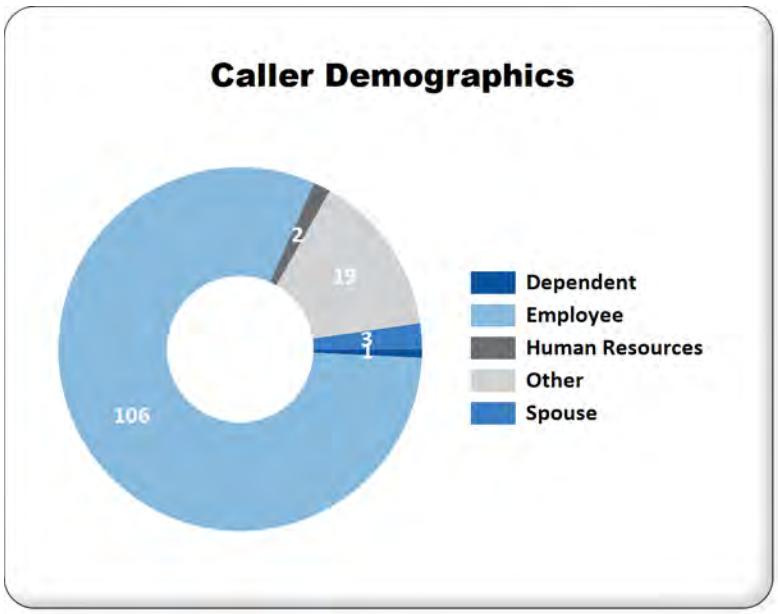
The Benefit Specialists who staff the BRC are available Monday through Friday from 8am to 5pm. If you or your employees call outside regular business hours, a confidential message can be left on the phone or sent via e-mail or text. One of our Benefit Specialists will return the call or message the next business day.

Please have your employees contact our Benefit Specialists toll free at **866-468-7272** or via e-mail at **BRCWest@usi.com**. Below we have outlined the inquiries we have received for your employees during the indicated time period.

Overall Utilization

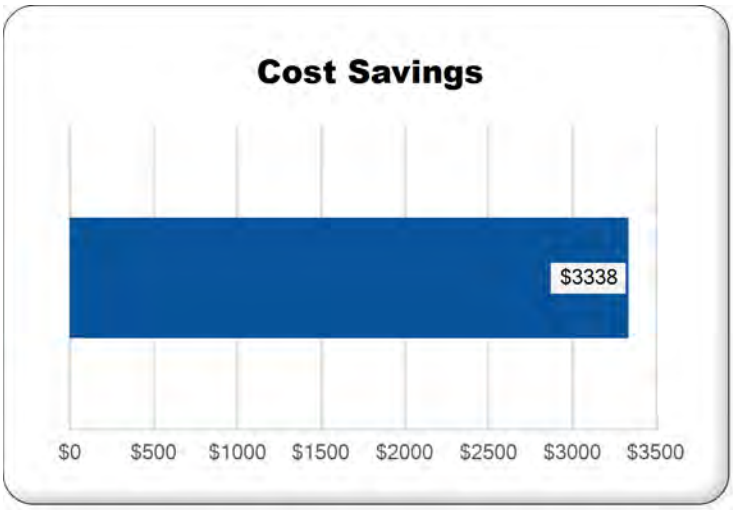
A summary and caller demographics of the total inquiries and follow-ups per time period.



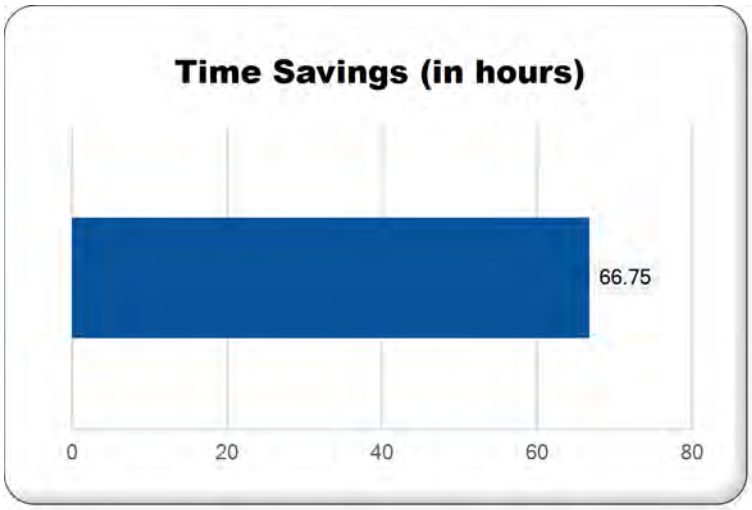


Savings Summary

The following illustrates the cost savings based on the total number of inquiries and follow-ups for the given time period.



The following illustrates the time savings based on the total number of inquiries and follow-ups for the given time period.



APPENDIX 9: POPULATION HEALTH MANAGEMENT SAMPLES

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Population Health Management

ABC Company Utilization Review and Savings Potential

ABC Company Demographics

Total Population

Employees	Spouses	Children	Members to EE
152	100	55	2.02

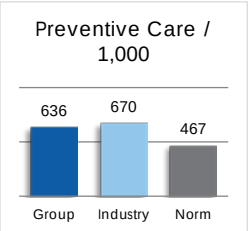
Female 45.5%

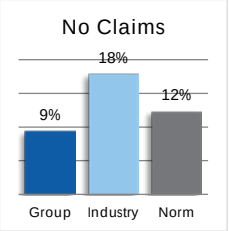
Male 54.5%

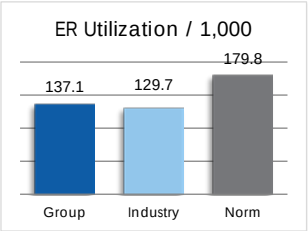
Average Employee Age

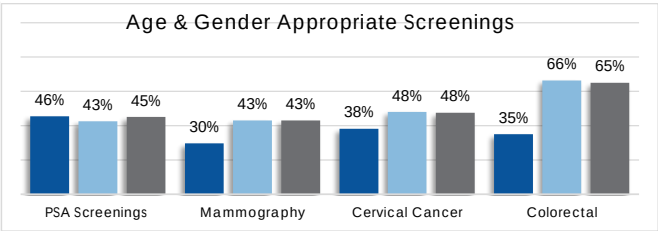
30.9 years old

ABC Company Utilization Metrics (Professional Services Industry)







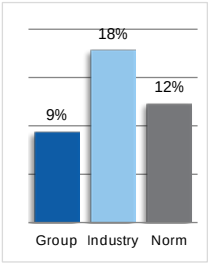


Risk Drivers - Disease Prevalence

Condition	Affected Population	Average Cost Above Norm*
Diabetes	3.3%	52.0%
Cancer & Leukemia	5.2%	71.0%
Cardiovascular	0.7%	60.0%
Pulmonary	0.3%	22.0%
High Cholesterol		
Musculoskeletal		

High Claiments

High Claiments with no preventive or annual exam in the last 12 months



USI CORE Health Strategy

USI Population Health Management offers targeted programs that will help to manage and avoid chronic and costly conditions. USI Service Team can help you:

1. Evaluate the data
2. Connect members to Primary Care Physican
3. Create Meaningful Incentives
4. Integrate targeted programs (disease management, metabolic syndrome etc.)

Employees with an active primary care relationship experience 40% lower rates of ER services and 33% lower inpatient admissions, resulting in an estimated 1-3% reduction of total healthcare claims.

Estimated Cost Savings

Low Impact (3% Decrease to annual claims)	Medium Impact (4% Decrease to annual claims)	High Impact (5% Decrease to annual claims)
$59,839	$79,785	$99,731
Estimated annual cost avoidance	Estimated annual cost avoidance	Estimated annual cost avoidance

*Average cost above norm and for the listed conditions and industry utilization statistics are taken from Verscend Intelligence Solutions and constitute averages over USI's entire book of business.

Estimated annual cost avoidance is projected based upon compounded reductions to the added cost of the modifiable conditions listed above. Results will vary.

COPD = Chronic Obstructive Pulmonary Disease

© USI Insurance Services | Utilization Report V2_ - PHM - 3D Revised, 2/5/2019

Population Health Management

ABC Client Utilization Review and Savings Potential

ABC Client Demographics

Total Population

Employees	Spouses	Children	Members to EE
152	100	55	2.02

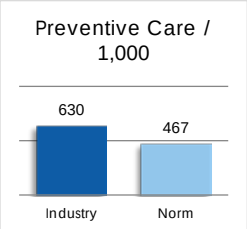
Female 45.5%

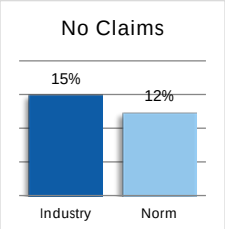
Male 54.5%

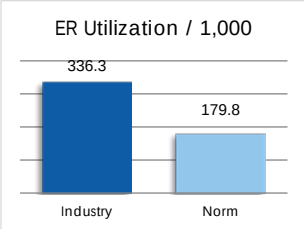
Average Employee Age

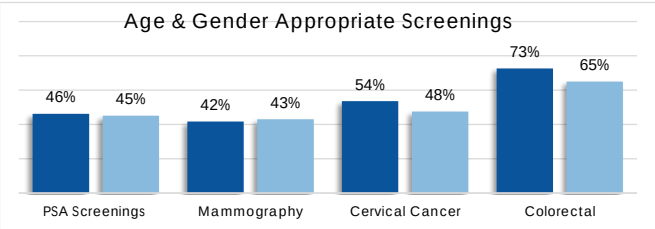
30.9 years old

Non-Profit Industry









Modifiable Cost Drivers (Industry Average) - Disease Prevalence / Added Costs

Condition	Affected Population	Average Cost Above Norm*	Estimated Added Annual Cost
Diabetes	14.7%	52.0%	$121,611
Cancer	4.4%	71.0%	$49,777
Heart Disease	3.8%	60.0%	$36,249
COPD	1.9%	22.0%	$6,779
		Total	$214,416

USI CORE Health Strategy

USI's multi-year CORE Health Strategy delivers claims savings through incentivized physician engagement, targeted disease management and comprehensive reporting.

USI CORE Health Strategy Benefits:

- Mitigate ER Visits
- Early Detection
- Avoidance of Catastrophic Claims
- Management of Chronic Conditions

Estimated Cost Savings

Low Impact (3% Decrease to annual claims)	Medium Impact (4% Decrease to annual claims)	High Impact (5% Decrease to annual claims)
$47,871	$63,828	$79,785
Estimated annual cost avoidance	Estimated annual cost avoidance	Estimated annual cost avoidance

*Average cost above norm and for the listed conditions and industry utilization statistics are taken from Verscend Intelligence Solutions and constitute averages over USI's entire book of business.
Estimated annual cost avoidance is projected based upon compounded reductions to the added cost of the modifiable conditions listed above. Results will vary.
COPD = Chronic Obstructive Pulmonary Disease
Annual claims amounts are estimated as 80% of total annual premiums.

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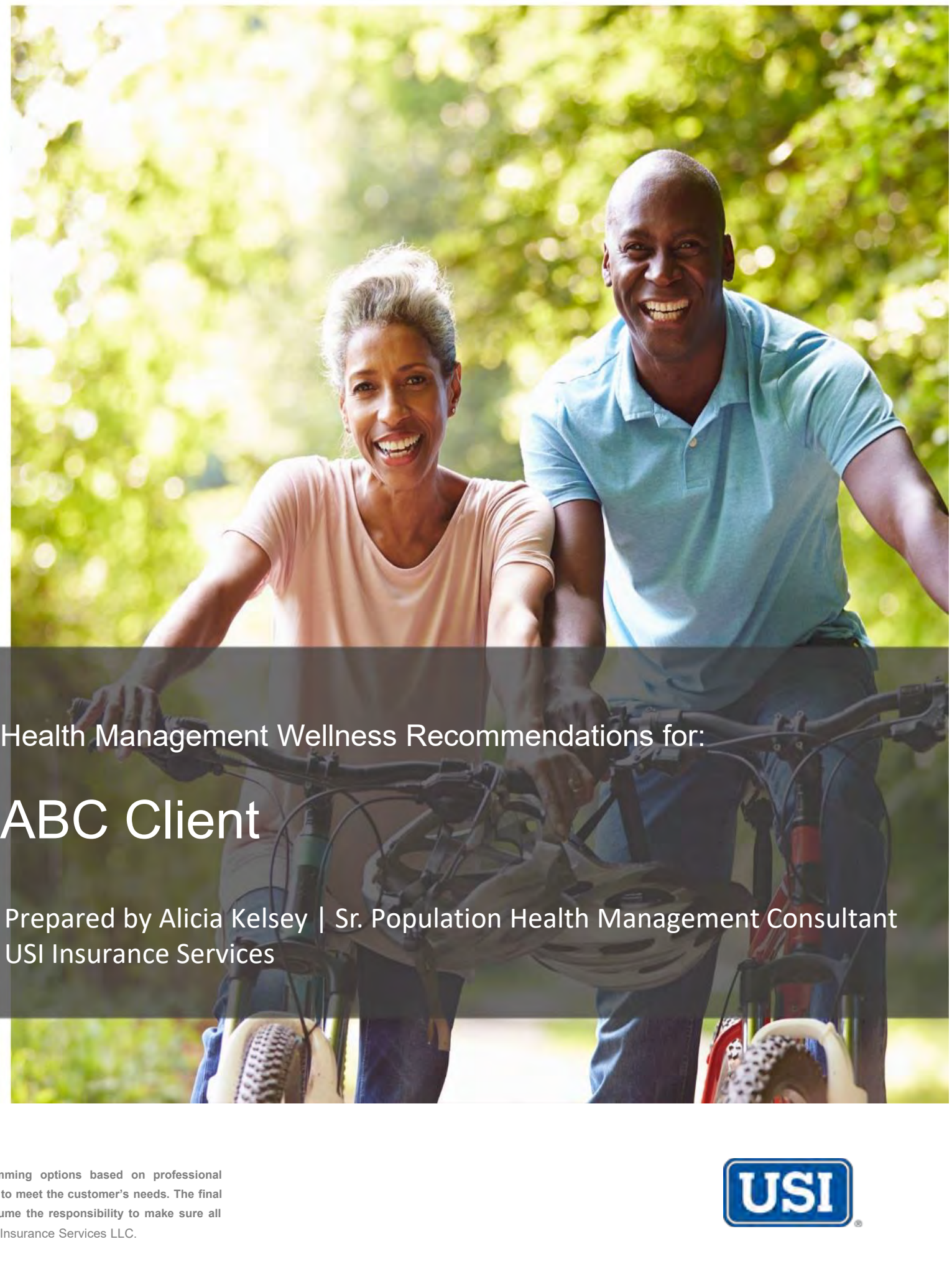

Health Management Wellness Recommendations for:

ABC Client

Prepared by Alicia Kelsey | Sr. Population Health Management Consultant
USI Insurance Services

USI and the USI Population Health Management Consultants recommend wellness programming options based on professional experience, understanding of the needs of the client, and identifying those resources best suited to meet the customer's needs. The final decision on any wellness program design and implementation rests with the client. Clients assume the responsibility to make sure all components of the wellness program have been properly evaluated by their legal counsel. © USI Insurance Services LLC.
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NEXT GENERATION WELLNESS

Care + Culture

Incentives
Savings to medical plan
Additional rewards

Gamification
Challenges, health education, health awareness

Lifestyle Coaching
Behavior change modification

Goal Based
Working on improvement not perfection

Community
Social media to drive cultural change

culture

care

clinical

all-in-one

validation

disease management

claims integration

reporting

PHM – CARE MANAGEMENT STRATEGY

4- ESSENTIAL PILLARS

The Why?

1	Connect all Members to Primary Care Physician	Immediate Care Management	Preventive Care	Address Lifestyle Issues
2	Meaningful Incentives	Create a Cost Neutral Program	Drives Participation	ERISA Counsel to Ensure Compliance
3	Targeted Solutions (i.e. Disease Management)	Manage Current Conditions	Target catastrophic claimants	Cost Avoidance When Engaged
4	Data	Identify	Evaluate Cost Avoidance	Enhance

Cost of Preventive Care

Why Incentivize Preventive Medicine Practices?

Type of Doctor Visit	Average Cost
Annual Preventive Visit	$150
Emergency Room Visit	$1,300
Inpatient Day	$3,800

Common High Cost Claims	Average Cost	Preventive Medicine Practices	Average Cost
Average Cost of Breast Cancer Treatment[1]	$62,854	Mammogram	$80-$120
Colon Cancer Treatment[2]	$62,856	Colon Cancer Screening	$3,081
Severe Heart Attack[3]	$50,000	Visit to Lower LDL Cholesterol	$74/year
		Rx for Cholesterol Medication	$1,300/year
Kidney Dialysis (*Unmanaged Diabetes*)[4]	$51,000	Annual Cost for Routine Diabetes Care	$6,000
Diabetes with Chronic Complications[5]	$16,435		
Stroke (*90 Days After*)[6]	$15,000	Blood Pressure Check at Doctor's Office	$ 75

Sources:

1. American Health and Drug Benefits. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4822976/
2. National Cancer Institute. http://costprojections.cancer.gov/annual.costs.html
3. CBS News. http://www.cbsnews.com/news/how-much-would-a-heart-attack-cost-you/
4. Lee H., et al. Cost analysis of ongoing care of patients with end-state renal disease: the impact of dialysis modality and dialysis access. 2002. Am J Kidney Dis.
5. Journal of Managed Care Pharmacy. http://www.amcp.org/WorkArea/DownloadAsset.aspx?id=17204
6. University Hospital. http://www.uhnj.org/stroke/stats.htm

Breast Cancer Costs & Survival Rates by Dx Stage

Why Incentivize Preventive Medicine Practices

Cancer Stage	Costs 12 months after Dx	Costs 24 months after Dx	5-year Survival Rate
Stage 0	$60,637	$71,909	Almost 100%
Stage 1	$82,121	$97,066	Almost 100%
Stage 2	$82,121	$97,066	Approximately 93%
Stage 3	$129,387	$159,442	About 72%
Stage 4	$134,682	$182,655	About 22%

References:

1. https://www.cancer.org/cancer/breast-cancer/understanding-a-breast-cancer-diagnosis/breast-cancer-survival-rates.html accessed July 5 2017.
2. *Blumen H, Fitch K, Polkus V. Comparison of Treatment Costs for Breast Cancer, by Tumor Stage and Type of Service. American Health & Drug Benefits. 2016;9(1):23-32.*

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Medical Plan Engagement

The Employee Experience

Creating a Better Consumers of the Plan

Enroll

Enroll members on the plan, Use comparison tools to help them determine the best suited plan to meet their insurance needs.

Educate

Educate plan members about benefits available to them on their health insurance plan. Help members understand cost comparison for services and benefits.

Engage

Engage plan members with their benefits. Incentivize annual preventive exams and screenings. Collect data, incorporate health and wellness tools available on the plan in the Population Health Management Program.

Evaluate

Evaluate data on plan utilization and disease footprint of the membership. Create program components to ensure optimal utilization and address gaps in care for chronic disease.

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Physician Engagement

The Employer Experience
Making PHM a Buisness Solution

Connect with physician

Connect with Primary Care Provider (PCP) for annual preventive exam and screenings to understand health status.

Awareness

Awareness regarding health status and resources to help reach optimal health through health plan, PCP and Population Health Management Program.

Action

Action working towards optimal health through healthy lifestyle behaviors, management of diagnosed illness and engagement in tools and resources to manage best health

Optimal Health

Optimal health by working with PCP at the center of health coordination and engaging in tools and resources to ensure healthy lifestyle behaviors.

Statistic

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PROGRAM RECOMMENDATIONS

3 –PHASE STRATEGY

Phase 1 2019	Phase 2 2020	Phase 3 2021
PLAN DESIGN		
• Provider Focus	• TeleHealth • Provider Focus	• Onsite/Near site clinic • TeleHealth • Provider Focus
WELLNESS VENDOR		
Wellworks For You	Wellworks For You	Wellworks For You
INCENTIVE		
Premium differential $25 per month/$300 per year	Premium differential $25 per month/$300 per year	Premium differential $25 per month/$300 per year
PROGRAM OBJECTIVE		
To receive the wellness incentive employees will be required to complete the required steps	To receive the wellness incentive employees will be required to complete the required steps	To receive the wellness incentive employees will be required to complete the required steps
PROGRAM TIMELINE		
Preventive Care ✓ January 1, 2018 – December 31, 2018	Preventive Care ✓ January 1, 2019 – December 31, 2019	Preventive Care ✓ January 1, 2018 – December 31, 2018
ACTION ITEMS		
1. Receive your Annual Physician Exam with your Primary Care Physician	1. Receive your Annual Physician Exam with your Primary Care Physician 2. Certify a non-Tobacco Attestation form (self-reported) • Employees who identify as a smoker will be required to complete a tobacco cessation program	1. Receive your Annual Physician Exam with your Primary Care Physician 2. Certify a non-Tobacco Attestation form (self-reported) • Employees who identify as a smoker will be required to complete a tobacco cessation program 3. Complete and certify 1 additional preventive exam (self – reported)
TARGETED PROGRAMS Targeted Programs are based on key health findings with in your data and or designated topics pertinent to your organization.		
✓ Utilize carrier educational materials	✓ Utilize carrier educational materials ✓ Implement Educational Learning Series (eLearning) via Wellworks for You portal site	✓ Utilize carrier educational materials ✓ Implement Educational Learning Series (eLearning) via Wellworks for You portal site

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PHM PROGRAM COMPONENTS

The design of wellness programs covers anything from no-cost or low-cost solutions such as community based, carrier based or third party purchased program to incentive based programs that rewards participation or outcome – based requirements.

CARE ENGAGEMENT
Physician Engagement

Care Strategy
Program Entry

- Physician Engagement EE/SP

Additional Program Components

- Physician Engagement EE/SP
- Dental Visit
- Vision Visit
- Age-Gender Preventive Screenings

CARE ENGAGEMENT
Targeted Solutions

Health Risk Management

- Pre-Diabetes
- Diabetes
- Cardiac
- Musculoskeletal
- Prenatal Care
- Tobacco
- Metabolic Syndrome

CULTURE
Behavior Modification

Lifestyle Management

- Nutrition/Weight Mgmt
- Activity & Lifestyle Challenges
- Stress
- Sleep
- Fitness
- Wellness Platforms (engagement)

Program Design

- Data Collection (TPA)
- Results Based
- Points Based

CORE Health Strategy Preferred Vendors

	Wellworks For You	TriHealth Healthy Direction
USI CORE Health Strategy		
Features/ Services	✓Wellworks For You Dedicated Wellness Team ✓Customized Electronic Marketing & Program Materials ✓Program Implementation and Preparation of Electronic Kits ✓Tracking & Recording of Physician Engagement Forms ✓Tracking & Recording of Registration and Consent Form ✓Targeted Communication System for receipt of documents ✓Phone call or Email to each member who submits incomplete forms ✓Monthly Participation Roster ✓Employer Biometric Aggregate Report ✓Tracking & Reporting Tobacco Affidavit ✓Tracking & Recording of Tobacco Certification ✓Spanish Translation of Incentive & Dates of Program ✓*Online (6) Week Tobacco Cessation Program ✓*Private Labeled Employer-Branded Wellness Portal and Smartphone App ✓Incentive tracking, fitness and nutrition dashboard, Fitbit integration, weekly recipes and grocery lists, health metrics tracking, and more!	✓Physician collection & tobacco affidavit both included ✓Data collection and data entry ✓Standard marketing flyer ✓Reminder flyers ✓Confirmation emails ✓Participation reports
Pricing	Premium 1 $8.00 PPPY	Data collection = $13.00 PEPY (100 min.)
	Premium 2 $10.00 PPPY (physician engagement forms, Tobacco Affidavit & Certification)	
	*Premium 3 $13.00 PPPY (physician engagement + tobacco affidavit, tobacco cessation program and portal)	
Offerings	✓Two (2) appointment based outcome Health Coaching ✓$60 per participant ✓Tracking of Additional Preventive Visits ✓Request a quote ✓Spanish Translation of additional information ✓Request a quote	

PHM Program Budget & Incentive Model

Physician Engagement	Participation Level (based on 300 members)	
	50% 150 members	75% 225 members
Wellworks For You (TPA) $8.00 Per Participant Per year		$1,200 per year
Wellworks For You (TPA) $10.00 Per Participant Per year		
Wellworks For You (TPA) $13.00 Per Participant Per year	$1,950.00 Per Year	$2,925.00 Per Year
Preventive Care	**Additional Claims Cost** *Estimated cost of preventive care visit $250 per visit*	
Current Preventive Cost	No Impact	55% of current member have received their preventive exam
New Preventive Care Cost	$15,000	20% will become an additional cost
Monthly Premium Incentive	**25% Non Compliant/participants x Premium Incentive**	
	25% (75 members)	50% (150 members)
$60 per month (720 per year)	$54,,000 per year	$per year
$80 per month ($960 per year)	$30,000 per year	$60,000 per year
$100 per month ($1200 per year)		
$1,200 + 10,000 = $11,200 (cost of the program)		
$15,000 (non participants) - $11,200 cost of program) = $3,800 "credit" the PHM program is essentially cost neutral		

APPENDIX 10: E&O CERTIFICATE OF INSURANCE & AGENCY LICENSE

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Client#: 1420259 DEANWORM1

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 12/18/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Lynn Owen	
USI Insurance Services LLC 530 Preston Avenue Meriden, CT 06450 855 874-0123	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS: Lynn.Owen@USI.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : XL Specialty Insurance Company	37885
INSURED USI Advantage Corp. 100 Summit Lake Drive, Suite 400 Valhalla, NY 10595	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N / A					E.L. EACH ACCIDENT	$
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	**Professional Liability / E&O**			**ELU15933118**	**12/31/2018**	**12/31/2019**	**$15,000,000 per claim**	
							$15,000,000 aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Professional Liability / E&O Liability coverage is extended to all subsidiaries and dba's of USI Advantage Corp. / USI Insurance Services LLC. All USI employees are covered under this policy for the work performed as directed by USI.

RE: USI Insurance Services LLC

RE: Kibble & Prentice Holding Co. dba USI Insurance Services Northwest

CERTIFICATE HOLDER

Evidence of Coverage

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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State of Alaska Insurance License

License No: 0035860 FEIN: 91-1176315

KIBBLE & PRENTICE HOLDING COMPANY

601 UNION STREET SUITE 1000
SEATTLE WA 98101

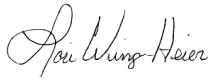
This is to certify that pursuant to requirements of the Alaska Division of Insurance Code the above named is qualified to do business in the state of Alaska with the authority listed below.

Doing Business As: USI INSURANCE SERVICES NORTHWEST

CLASS	ISSUE DATE	EFFECTIVE DATE	EXPIRE DATE	LINES OF AUTHORITY
Insurance Producer	08/02/2019	10/28/2019	10/27/2021	Casualty, Health, Life, Property
Surplus Lines Broker	08/02/2019	10/28/2019	10/27/2021	Casualty, Property

This license is expressly conditioned upon the holder being in full compliance with all of the applicable laws and requirements made under authority of the laws of the State of Alaska and as such laws and requirements may hereafter be changed or amended. Your license will expire/lapse on the above indicated date. You must renew your license prior to this date to continue transacting the business of insurance in Alaska.

For questions regarding licensing, renewal, or continuing education, requirements, contact the Alaska Division of Insurance or visit http//www.commerce.state.ak.us/insurance



Lori Wing-Heier, Director

VOID IF ALTERED NON-TRANSFERABLE

APPENDIX 11: SIGNED FORMS

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SECTION III
FEE PROPOSAL

I have read and understood the requirements set forth in this RFP and agree to comply except as noted. The fee proposal includes all fees for work as described in Section II, Scope of Work. Additional pages may be used to show detail of unit costs and options.

INSURANCE BROKER SERVICES;

Annual Fixed fee for Broker Services: $ 60,000.00

If we, the Insurance Broker terminate this agreement for convenience prior to the expiration of the Term, we will be deemed to have fully earned and be entitled to a pro rata portion of the Fee, calculated from the start of the Fee period through the date of termination. If the City of Palmer terminates this agreement for convenience prior to the expiration of the Term, the Insurance Broker will be deemed to have fully earned and be entitled to a portion of the fee as set forth in the following schedule:

During the first six months: 75%

After six months: 100%

_____ _____
Proposer's Signature Date

FEE PROPOSAL IS TO BE SUBMITTED IN A SEPARATE SEALED ENVELOP

SECTION IV
SUBMITTAL PAGE

By signing below, the Proposer hereby certifies to the following:

1. The individual signing below, or the firm associated or corporation of which they are a member, has not either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of a free competitive process in connection with this solicitation.
2. The individual signed below is authorized by the firm association or corporation to bind such association or corporation to a legal contract.
3. The individual signing below, or the firm association or corporation of which they are a member, is not debarred or suspended from doing business with the City of Palmer.
4. They are acknowledging receipt of the following Addenda Numbers (if no addenda have been issued, either leave blank or write "N/A" or "None"

(List Addenda numbers that you are acknowledging receipt of)
#1

USI INSURANCE SERVICES NORTHWEST	12/18/2019
Company Name	Date
3800 CENTERPOINT DR., SUITE 540	ANCHORAGE, AK 99503
Mailing Address	City, State, Zip Code
BRANDON NYBERG	
Printed (or typed) Name	Signature
BRANDON NYBERG	SENIOR VICE PRESIDENT
Contact Person (printed or typed)	Title
360.787.9850	N/A
Phone Number	Fax Number
BRANDON.NYBERG@USI.COM	
Email Address	

It shall be the responsibility of the Proposer to ensure their proposal is received at or before the date and time fixed for closing. Proposers should include the following with their proposal:

- ✓ Signed Submittal Page (acknowledging Addenda if applicable)
- ✓ One (1) original and three (3) copies of your signed proposal
- ✓ Copy of Professional License
- ✓ Instructions to Proposers & Specifications/Scope of Services

SECTION V
NON-DISCRIMINATION STATEMENT

The proposer certifies that:

(1) No person shall be excluded from participation in, denied the benefit of, or otherwise discriminated against on the basis of race, color, national origin, or gender in connection with any bid submitted to the City of Palmer or the performance of any contract resulting there from;

(2) That it is and shall be the policy of this Company to provide equal opportunity to all business persons seeking to contract or otherwise interested in contracting with this Company, including those companies owned and controlled by racial minorities, cultural minorities, and women;

(3) In connection herewith, we acknowledge and warrant that this Company has been made aware of, understands and agrees to take affirmative action to provide such companies with the maximum practicable opportunities to do business with this Company;

(4) That this promise of non-discrimination as made and set forth herein shall be continuing in nature and shall remain in full force and effect without interruption;

(5) That the promises of non-discrimination as made and set forth herein shall be and are hereby deemed to be made as part of and incorporated by reference into any contract or portion thereof which this Company may hereafter obtain and;

(6) That the failure of this Company to satisfactorily discharge any of the promises of nondiscrimination as made and set forth herein shall constitute a material breach of contract entitling the City of Palmer to declare the contract in default and to exercise any and all applicable rights and remedies including but not limited to cancellation of the contract, termination of the contract, suspension and debarment from future contracting opportunities, and withholding and or forfeiture of compensation due and owing on a contract.

_____ _____

Signature Date

CLIENT SERVICE AGREEMENT

This Client Service Agreement ("Agreement") is made and entered into this 14th day of January, 2020 ("Effective Date"), by and between Kibble & Prentice Holding Co dba USI Insurance Services Northwest ("USI"), and City of Palmer, Alaska ("Client").

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

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

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

1. LINES OF INSURANCE COVERAGE

This Agreement is entered into with respect to the following lines of insurance coverage and for which Client agrees to retain USI as its Broker of Record:

All brokered Lines of Insurance

2. SERVICES

USI agrees to provide to Client the following insurance brokerage services:

As noted in Exhibit A

DRAFT

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

3. COMPENSATION

USI will be compensated for the services through payment of a fee by Client to USI as outlined in this Agreement. The Annual fee will be $60,000.00, payable and to be invoiced as follows, Monthly.

Contingent, supplemental, or bonus commissions

It is possible that some of the insurance companies from which USI obtains coverage may pay it additional incentive commissions, sometimes referred to as contingent, supplemental, or bonus commissions, which may be based on the total volume of business we sell for them, and/or the growth rate of that business, retention rate, claims loss ratio, or other factors considering our entire book of business with an insurance company for a designated period of time. Such additional commissions, if any, would be in addition to any other compensation USI may receive. At your request, USI will provide you with a detailed statement regarding our compensation on your account and how the compensation is calculated.

Miscellaneous sources of compensation

In addition to the foregoing, USI may also receive income from the following sources:

- Interest earned on premiums received from you and forwarded to the insurance company through USI's bank accounts

- Payments from insurance companies to defray the cost of services provided for them, including advertising, training, certain employee compensation, and other expenses.
- Vendors and / or service providers

In the event there is a significant change in Client operations which affects the nature and scope of its insurance requirements, the parties agree to renegotiate USI's compensation as appropriate.

4. BUSINESS ASSOCIATE AGREEMENT

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

USI and the Covered Entity desire to enter into a business associate agreement for the purpose of addressing the Privacy Rule, the Security Rule, and the Electronic Transaction Rule, (as those terms are defined below), and for addressing the privacy and security provisions set forth in the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), contained in Title XIII, Subtitle D, of the American Recovery and Reinvestment Act of 2009, and for making appropriate updates in accordance with final regulations issued in January 2013. In consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, USI and the Covered Entity agree as follows:

DRAFT

4.1. BUSINESS ASSOCIATE DEFINITIONS

4.1.1 "Agreement" shall mean this document, including all exhibits, attachments, and properly executed amendments and addendums.

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

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

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

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

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

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

4.1.8 "Protected Health Information" shall mean any information, including genetic information, that: (a) relates to the past, present, or future physical or mental health or condition of an Individual;

(b) the provision of health care to an Individual; (c) or the past, present, or future payment for the provision of health care to an Individual; and that identifies the Individual or with respect to which there is a reasonable basis to believe the information can be used to identify the Individual.

4.1.9 "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 160.103.

4.1.10 "Secretary" shall mean the Secretary of the Department of Health and Human Services ("HHS") and any other officer or employee of HHS to whom authority has been delegated.

4.1.11 "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 160.103.

4.1.12 "Security Rule" shall mean the Security Standards and Implementation Specifications at 45 C.F.R. Parts 160 and 164, Subparts A and C.

4.1.13 "Transaction" shall have the same meaning as the term "transaction" in 45 C.F.R. § 160.103.

4.1.14 "Unsecured Protected Health Information" shall have the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402.

4.2. SAFEGUARDING PRIVACY AND SECURITY OF PROTECTED HEALTH INFORMATION

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4.2.1 Permitted Uses and Disclosures. USI hereby agrees that it shall be prohibited from using or disclosing Protected Health Information provided or made available by the Covered Entity (or another business associate of the Covered Entity) for any purpose other than as expressly permitted or required by this Agreement.

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

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

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

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

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

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

4.2.2 Information Safeguards.

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

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

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

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

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

4.3. COMPLIANCE WITH ELECTRONIC TRANSACTION RULE

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

4.4. INDIVIDUAL RIGHTS

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

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

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

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

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

4.4.3(c) Disclosure Information. With respect to any disclosure by USI of Covered Entity's Protected Health Information that is not excepted from disclosure accounting, USI will record the following Disclosure Information as applicable to the type of accountable disclosure made:

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

4.4.3(c)(2) Disclosure Information for Repetitive Disclosures. For repetitive disclosures of Covered Entity's Protected Health Information that USI makes for a single purpose to the same person or entity (including Covered Entity), the

Disclosure Information that USI must record is either the Disclosure Information specified above for each accountable disclosure, or (i) the Disclosure Information specified above for the first of the repetitive accountable disclosures; (ii) the frequency, periodicity, or number of the repetitive accountable disclosures; and (iii) the date of the last of the repetitive accountable disclosures.

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

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

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4.5. BREACHES

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

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

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

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

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

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

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

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

4.6. BAA TERM AND TERMINATION

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4.6.1 Term. This Agreement shall be effective on the Effective Date that USI begins services to the Covered Entity commences and shall terminate when all Protected Health Information provided by Covered Entity to USI, or created or received by USI on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this section.

4.6.2 Right to Terminate for Cause. Covered Entity may terminate Agreement if it determines, in its sole discretion, that USI has breached any provision of this Agreement, and upon written notice to USI of the Breach, USI fails to cure the Breach within 60 calendar days after receipt of the notice. Any such termination will be effective immediately or at such other date specified in Covered Entity's notice of termination.

4.6.3 Return or Destruction of Covered Entity's Protected Health Information. Upon termination of this Agreement for any reason, USI, with respect to Protected Health Information received from the Covered Entity, or created, maintained, or received by USI on behalf of Covered Entity, shall:

4.6.3.1. retain only that Protected Health Information which is necessary for USI to continue its proper management and administration or to carry out its legal responsibilities;

4.6.3.2. return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining Protected Health Information that USI still maintains in any form;

4.6.3.3. continue to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to Electronic Protected Health Information to prevent use or disclosure of the Protected Health Information, other than as provided for in this section, for as long as USI retains the Protected Health Information;

4.6.3.4. not use or disclose the Protected Health Information retained by USI other than for the purposes for which such Protected Health Information was retained and subject to the same conditions set out at Section 4.2.1(b) which applied prior to termination; and

4.6.3.5. return to Covered Entity or, if agreed to by Covered Entity, destroy the Protected Health Information retained by USI when it is no longer needed by USI for its proper management and administration or to carry out its legal responsibilities.

Upon Covered Entity's direction, USI will transmit the Protected Health Information to another business associate of the Covered Entity at termination, and/or could add terms regarding USI's obligations to obtain or ensure the destruction of Protected Health Information created, received, or maintained by subcontractors.

4.6.4 Continuing Privacy and Security Obligation. If return or destruction of the Protected Health Information is not feasible, USI agrees to extend the protections of this Agreement for as long as necessary to protect the Protected Health Information and to limit any further use or disclosure so as to be consistent with the intent of this Agreement.

4.7. GENERAL PROVISIONS

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

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

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

5. ADDITIONAL THIRD-PARTY SERVICES

Additional service(s) may be available from third-parties, not-affiliated with USI for additional fee(s) and may be subject to separate agreements between Client and the third-party vendor. USI has agreed to facilitate transfer of Client's payment to the third-party service provider that Client has selected to provide such services. USI will include in its invoice to Client the cost of payment for these services.

6. BROKERAGE INTERMEDIARIES

USI may utilize the services of other intermediaries, such as wholesale brokers, excess and surplus lines brokers, reinsurance intermediaries and underwriting managers, to assist in the marketing of your insurance coverages, when in USI's professional judgment those services are necessary. Depending on the circumstances involved, it may be necessary to use an intermediary affiliated with USI. The

compensation of such intermediaries is not included in USI's compensation under this Agreement and will be paid by insurers out of paid premiums. The compensation paid to USI's affiliates will be disclosed to you prior to binding any coverages on your behalf.

7. TERM AND TERMINATION

7.1. Term. The term of this Agreement shall commence on 01/01/20 and shall terminate when all Protected Health Information provided by Covered Entity to USI, or created or received by USI on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this section. The term may be extended by mutual written agreement of the parties. In the event of termination, USI will assist Client in arranging a smooth transition process. However, USI's obligation and the obligation of its affiliates to provide services to Client will cease upon the effective date of termination, unless otherwise agreed in writing.

7.2. Termination. Notwithstanding the term of this Agreement, either party shall have the right to terminate this Agreement upon 60 days' prior notice to the other. In the event of termination by Client prior to expiration, USI's "Annual" compensation will be deemed earned according to the following schedule:

- 60% at inception
- 75% after four months
- 100% after seven months

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8. ACCURACY OF INFORMATION

USI's ability to provide Client with the services outlined in paragraph 2 above is conditioned upon USI's receipt of accurate and timely information from Client. USI will not independently verify or authenticate information provided by or on behalf of Client. Client shall be solely responsible for the accuracy and completeness of such information and other documentation furnished to USI.

9. ADDITIONAL SERVICES

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

- Member Services Call Center
- Human resources advisory services
- Claims audits
- Actuarial services
- Employee communications
- Interactive online Client services
- Non-benefits insurance brokerage, risk management, and risk financing advice
- Executive benefits

10. BOOKS AND RECORDS

Client is entitled to copies of reports prepared by USI hereunder, contracts between Client and its carriers and administrators to the extent such contracts are in USI's possession and control, and communications

between USI and Client's insurance carriers and employee benefits providers to the extent such books and records are maintained by USI with regard to its performance under this Agreement.

11. MISCELLANEOUS

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

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

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

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

12. ENTIRE AGREEMENT

This Agreement contains the entire understanding of the parties with respect to the subject matter contained herein, superseding all prior agreements, understandings, and negotiations with respect to such matters. This Agreement may be modified or otherwise amended and the observance of any term of this Agreement may be waived only if such modification, amendment, or waiver is in writing and signed by the party to be charged with same. This Agreement shall be binding upon and inure to the benefit of the parties' respective successors. Neither party shall have any liability for any failure or delay in performance of its obligations under this Agreement because of circumstances beyond its reasonable control, including, without limitation, acts of God, fires, floods, earthquakes, acts of war or terrorism, civil disturbances, sabotage, accidents, unusually severe weather, governmental actions, power failures, computer/network viruses that are not preventable through generally available retail products, catastrophic hardware failures, or attacks on its server. The parties further agree that neither party shall have any liability for indirect, special, punitive, consequential, or incidental damages, including, without limitation, loss of profits.

13. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of State of New York, without regard to its conflict of laws principles.

14. SELECTION OF ISSUING INSURANCE COMPANY

USI has no ownership interest in and is not under common control with the insurance company that is issuing the lines of insurance coverage described in this Agreement.

IN WITNESS THEREOF, the parties have hereunto set their hands on the date and year first above written for the purposes set forth in this Agreement:

CLIENT NAME: City of Palmer, Alaska

Signature and Date Required

X Signature	Date
Print Name	Title

Kibble & Prentice Holding Co dba USI Insurance Services Northwest

Signature and Date Required

X Signature	Date
Steve McLendo	**Chief Financial Officer, NW Region**

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EXHIBIT A
INSURANCE BROKERAGE SERVICES

Section 1.0 Analytical Services:

1.1 Design of health care plans, cost-containment and other plan design recommendations		
1.1.1	Review benefit designs and compare to Client's strategic objectives. Recommend modifications where appropriate.	Annually
1.1.2	Evaluate the impact of plan modifications on employees and the potential savings to Client.	Annually
1.1.3	Evaluate alternate carriers and product offerings.	Annually
1.1.4	Provide benefit benchmarking, as appropriate.	Annually
1.2 Preparation of bid specifications (RFP) (as needed)		
1.2.1	Consult with Client to establish objectives for market review and identify potential carriers or vendors.	Annually
1.2.2	Assemble benefit, rate and claim data for inclusion in RFP.	Annually
1.2.3	Deliver RFP to selected vendors and provide any requested additional information.	Annually
1.3 Analysis of proposals and presentation of findings		
1.3.1	Compare costs, funding, benefits, contracts, negotiated provider discounts, employee network disruption issues, financial strength and anticipated service level for each carrier or vendor, as appropriate.	Annually
1.3.2	Present USI's recommended carriers or vendors. Recommendation supported by detailed a[illegible]	Annually
1.3.3	Organize finalist m[illegible]tings with Client, if appropriate.	Annually
1.4 Renewal analysis and negotiation		
1.4.1	Evaluate carrier underwriting practices.	Annually
1.4.2	Negotiate [illegible]riers based on internal underwriting analysis and market trends.	Annually
1.5 Reporting/Servicing Meetings		
1.5.1	Claims and utilization reporting or summary.	
1.5.2	Review of annual accounting (as appropriate).	Annually
1.5.3	Benefit Resource Center Reports	Quarterly

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Section 2.0 Account Management Services:

2.1 Contract Review		
2.1.1	Perform contract and Benefit Booklet review for each brokered plan	Annually
2.2 Employee Meetings		
2.2.1	Employee meetings and/or benefit fairs will be limited to a maximum of (1) one per fifty (50) employees	Annually
2.2.2	Benefit fairs may be selected in lieu of employee meetings and will be limited to (1) per 100 benefit eligible employees.	Annually
2.3 Employer/Employee Communications		
2.3.1	Consolidated Benefit Summary	Annually
2.3.2	USI Insider and Health & Wellness articles	Monthly
2.3.3	Service Calendar	Annually
2.3.4	Technical Bulletins	As appropriate
2.4 Tax Reporting		
2.4.1	Provide signature ready 5500 filings, along with other plan compliance materials as required by the Employee Benefits Security Administration.	Annually

EXHIBIT B
BROKERAGE FEES & COMMISSION SCHEDULE

USI fees are generally anticipated to be in effect for the twelve (12) month period following the Effective Date referenced in the Service Agreement. Estimate does not include additional fees paid for other USI administrative services.

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

Compensation Estimate – Year 1	
Effective Date	02/01/2020
USI Fees:	$ 60,000.00
Other Estimated Commissions:	$ 0
Total Anticipated Broker Compensation:	$ 60,000.00

1.1 USI Fees: $5,000.00 per month. Fees will be billed by USI on a monthly basis and are due by the end of the month for which brokerage services are provided. An additional service fee of $50 per month will be charged to accounts more than thirty (30) days past due.

Compensation Estimate – Year 2	
Effecti Date	01/202
US Fees:	$,000.0
ther Est nate Com issions	$
Total An cipated roke Compe ati	$ 50, 00.0

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1.2 USI Fees: $4,166.66 per month. Fees will be billed by USI on a monthly basis and are due by the end of the month for which brokerage services are provided. An additional service fee of $50 per month will be charged to accounts more than thirty (30) days past due.

Compensation Estimate – Year 3	
Effective Date	02/01/2022
USI Fees:	$ 45,000.00
Other Estimated Commissions:	$ 0
Total Anticipated Broker Compensation:	$ 45,000.00

1.3 USI Fees: $3,750.00 per month. Fees will be billed by USI on a monthly basis and are due by the end of the month for which brokerage services are provided. An additional service fee of $50 per month will be charged to accounts more than thirty (30) days past due.

1.4 Other Estimated Commissions – are commissions payable to USI which are included in the premium and/or administrative costs payable by the Client to the insurance carriers. The vendors/carriers remit payment of these commissions directly to USI upon payment of premium by the client.

1.5 For direct expenses incurred in connection with the provided brokerage services (e.g. Travel, delivery fees), these expenses will be billed to the Client on a monthly basis. Invoices for direct expenses will be due within 30 days of the invoice date.

1.6 For specific services that are requested by the Client, but not outlined in the description of services to be provided by USI, the Client will be billed for work performed. The cost for these services will be billed on a per hour or per project basis and included in the next available monthly invoice. No services will be performed without prior written approval from the Client.

1.7 USI reserves the right to change the fees outlined in this section. Client will receive a minimum of thirty (30) days notice prior to any changes in fees.

CLIENT NAME: City of Palmer, Alaska

Signature and Date Required

X Signature	Date
Print Name	Title

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Kibble & Prentice Holding Co dba USI Insurance Services Northwest

Signature and Date Required

X Signature	Date
Steve McLendon Print Name	**Chief Financial Officer, NW Region** Title

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on December 10, 2019, at 7:00 p.m. in the Council Chambers, Palmer, Alaska. Mayor DeVries called the meeting to order at 7:00 p.m.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Edna DeVries, Mayor
Julie Berberich
Richard W. Best
Steve Carrington
Linda Combs, Deputy Mayor
Sabrena Combs
Jill Valerius

Staff in attendance were the following:

Nathan Wallace, City Manager
Norma I. Alley, MMC, City Clerk
Michael Gatti, City Attorney (participated telephonically)
Kara Johnson, Deputy City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
   a. **Action Memorandum No. 19-092:** Authorizing the City Manager to Negotiate and Execute a Management Services Contract for the Palmer Visitor Center with Palmer Museum of History and Art in the Amount of $75,115.00 Per Year
2. Approval of Minutes of Previous Meetings
   a. November 5, 2019, Special Meeting
   b. November 12, 2019, Regular Meeting
   c. November 26, 2019, Special Meeting
   d. November 26, 2019, Regular Meeting
   e. December 3, 2019, Special Meeting

Main Motion:	**To Approve the Agenda, Consent Agenda, and Minutes**
Moved by:	L. Combs
Seconded by:	Valerius
Vote:	Unanimous
Action:	Motion Carried

E. REPORTS

1. City Manager's Report

None.

2. City Clerk's Report

City Clerk Alley highlighted her written report and spoke about the upcoming election discussion.

3. Mayor's Report

Mayor DeVries highlighted her written report. Mayor DeVries read a Proclamation for recognizing Police Chief Lance Ketterling's retirement and many years of service to the Palmer Police Department.

4. City Attorney's Report

None.

F. AUDIENCE PARTICIPATION

Mr. Mike Chmielewski spoke about the benefits of Wifi in downtown and faith in the City Clerk in finding the proper sound system equipment for the community.

G. PUBLIC HEARINGS

1. 3rd Public Hearing on the 2020 Budget for (Pending Motion):
   a. **Resolution No. 20-001:** Adopting the 2020 City of Palmer Employee Pay Plan
   b. **Resolution No. 20-002:** Adopting the 2020 City of Palmer Fee Schedule for the City of Palmer for the Fiscal Year Beginning January 1, 2020, and Ending December 31, 2020
   c. **Resolution No. 20-003:** Adopting the 2020 Fine Schedule for the City of Palmer for the Fiscal Year Beginning January 1, 2020 and Ending December 31, 2020
   d. **Resolution No. 20-004:** Adopting the Five-Year Capital Improvement Program for the Fiscal Year Beginning January 1, 2020 and Ending December 31, 2020
   e. **Resolution No. 20-005:** Adopting a Budget for the City of Palmer, Alaska for the Fiscal Year Beginning January 1, 2020 and Ending December 31, 2020, and Appropriating Monies

Mayor DeVries opened the public hearing on the 2020 City of Palmer Budget. Seeing no one come forward and hearing no objection from the Council, the public hearing was closed.

Mayor DeVries stated there was a main motion on the floor, which was made at the October 22, 2019, meeting, to adopt Resolution No. 20-001, Resolution No. 20-002, Resolution No. 20-003, Resolution No. 20-004, and Resolution No. 20-005 and asked if there were any objections to dividing the question.

Main Motion:	**To Divide the Question and Consider Resolution No. 20-001, Resolution No. 20-002, Resolution No. 20-003, Resolution No. 20-004, and Resolution No. 20-005 Separately**
Moved by:	L. Combs
Seconded by:	S. Combs
Vote:	Unanimous
Action:	Motion Carried

Mayor DeVries announced the first motion on the floor to be addressed was Resolution No. 2020-001.

Vote on Main Motion:	**To Approve Resolution No. 20-001**
Vote:	Unanimous
Action:	Motion Carried

Mayor DeVries announced the second motion on the floor to be address was Resolution No. 2020-002.

Primary Amendment #1:	**To Amend the 2020 Fee Schedule Community Center (Railroad Depot) Rental Miscellaneous Fees by Replacing Public Announcement System Usage Fee with Sound System Usage Fee and Increasing the Fee to $40.00 and Adding MTA Events Center: Curling Stone Rental Monthly Fee of $100.00**
Moved by:	S. Combs
Seconded by:	Berberich
Vote:	Unanimous
Action:	Motion Carried

Vote on Main Motion:	**To Approve Resolution No. 20-002, as Amended**
Vote:	Unanimous
Action:	Motion Carried

Mayor DeVries announced the next motion on the floor to be addressed was Resolution No. 2020-003.

Vote on Main Motion:	**To Approve Resolution No. 20-003**
Vote:	Unanimous
Action:	Motion Carried

Mayor DeVries announced the next motion on the floor to be addressed was Resolution No. 2020-004.

Primary Amendment #1:	**To Amend the 2020 Capital Improvement Plan with the Following Changes:** **MTA Equipment Arena - $20,000.00** **Paint Bailey Hill Reservoir - $50,000.00** **ADA Sidewalks - $61,700.00** **Police Radios - $50,000.00** **Street Maintenance - $0.00** **Public Video - $0.00** **Water/Sewer Lift Station and Well Pumps - $55,000.00** **Water/Sewer Truck - $45,000.00** **Police Vehicle Annual Replacement - $50,000.00** **Park Improvements - $0.00** **Public Building Maintenance - $0.00** **Golf Course Golf Carts - $20,000.00** **Golf Course Infrastructure - $20,000.00** **Depot Pinging Updates - $0.00** **Roads Sander Truck with Plow Blade - $175,000.00** **Airport Safety Imp. Avigation Easement Study - $16,600.00** **Traffic Safety Planning - $135,000.00**
Moved by:	S. Combs
Seconded by:	Best
Vote:	Unanimous
Action:	Motion Carried

Primary Amendment #2:	**To Amend the Capital Improvement Plan to Change the Title of Traffic Safety Planning Line Item to Traffic Safety Planning and Improvements**
Moved by:	Best
Seconded by:	Valerius
Vote:	Unanimous
Action:	Motion Carried

Primary Amendment #3:	**To Amend the Capital Improvement Plan by Removing Annexation Planning**
Moved by:	S. Combs
Seconded by:	Best
Vote:	Unanimous
Action:	Motion Carried

Vote on Main Motion:	**To Approve Resolution No. 20-004, as Amended**
Vote:	Unanimous
Action:	Motion Carried

Mayor DeVries announced the next motion on the floor to be addressed was Resolution No. 2020-005.

Primary Amendment #1:	**To Amend the 2020 Budget to Reflect Amended Allocations in the Following Funds:** **To Reflect Deductions in Health Care Premiums:** **$172,653 in Fund 6012 General Fund** **$20,748 in Fund 6012 Water/Sewer** **$2,964 in Fund 03 Airport** **$3,456 in Fund 05 Solid Waste** **$2,934 in Fund 53 Narcotics/Opiate TF** **$1,761 in Fund 52 SRO** **To Reflect Increases in Health Care Premiums by Not Increasing Employee Contributions for 2020:** **$5,600 in Fund 6012 General Fund** **$679 in Fund 6012 Water/Sewer** **$0 in Fund 03 Airport** **$536 in Fund 05 Solid Waste** **$536 in Fund 53 Narcotics/Opiate TF** **$402 in Fund 52 SRO** **To Increase Community Development Planning to Include Funding for Two Palmer Visit Videos and Annexation Planning:** **$143,000 to 01-01-12-6071** **To Add Funding for a Facilitated Strategic Planning Session:** **$2,500 to 01-01-12-6071** **To Reflect Amended Allocations in the Approved 2020 Capital Improvement Plan from the General Fund to:** **$81,700 to Fund 08 General CIP Projects** **$275,000 to Fund 09 General CIP Equipment** **$16,600 to Fund 30 Airport Capital Projects**

$40,000 to Fund 15 Golf Course Fund
$135,000 to Fund 10 Roads Fund

To Reallocate Funds Back to the General Fund:
$29,704 City Hall Renovation 08-01-10-7163
$3,054 Library Front Doors 08-01-10-7173
$2,936 COP Deferred Maintenance 08-50-05-6053

To Increase Finance Contractual Services for Online Sales Tax Payment System:
$25,000 to 01-01-10-6030

To Amend the Mayor/Council/City Clerk:
Reduce Legal Fees 01-02-10-6027 to $25,000
Increase Election Expenses 01-02-10-6099 to $15,000

To Increase Community Development Community Center (Depot) to Add a New Accounting Line 01-01-20-6025, Title it Downtown Wifi, and Add $3,000

Moved by:	L. Combs
Seconded by:	Valerius
Vote:	Unanimous
Action:	Motion Carried

Secondary Amendment #1: To Remove the Downtown Wifi Line Item

Moved by:	Best
Seconded by:	
Vote:	
Action:	Failed for Lack of Second

Vote on Primary Amendment #1: To Amend the 2020 Budget

Vote:	Unanimous
Action:	Motion Carried

Primary Amendment #2: To Amend City Council Grant Amount from $15,000 to $12,000 and Allocate Funds Quarterly

Moved by:	Best
Seconded by:	Carrington

Secondary Amendment #1: To Remove the Quarterly Allocation of Funds

Moved by:	S. Combs
Seconded by:	Valerius
Vote:	6 Yes/1 No (Carrington)
Action:	Motion Carried

Vote on Primary Amendment #2: Amend City Council Grant Amount from $15,000 to $12,000, as Amended

Vote:	5 Yes/2 No (Berberich/S. Combs)
Action:	Motion Carried

Primary Amendment #3: To Reduce Funding of the Deputy City Clerk's Hours to Remain at 2019 Hours

Moved by:	Best
Seconded by:	Carrington
Vote:	4 Yes/3 No (Berberich, S. Combs, Valerius)
Action:	Motion Carried

Primary Amendment #4: To Reduce the Sister City Line Item by $4,000 Removing the Funding of Delegation Travel for Two Council Delegates to the Sister City's 40th Anniversary Recognition Trip

Moved by:	Best
Seconded by:	DeVries

Secondary Amendment #1: To Reduce the Sister City Line Item by an Additional $2,000 Removing Funding for all Council Delegates to the Sister City's 40th Anniversary Recognition Trip

Moved by:	Valerius
Seconded by:	DeVries
Vote:	2 Yes/5 No (Berberich/Best/Carrington/L. Combs/S. Combs)
Action:	Motion Failed for Lack of Majority

Vote on Primary Amendment #4: To Reduce the Sister City Line Item by $4,000 Removing the Funding of Delegation Travel for Two Council Delegates

Vote:	2 Yes/5 No (Berberich/Carrington/L. Combs/S. Combs/Valerius)
Action:	Motion Failed for Lack of Majority

Vote on Main Motion: To Approve Resolution No. 20-005, as Amended

Vote:	Unanimous
Action:	Motion Carried

H. NEW BUSINESS

1. **Committee of the Whole:** Discuss Employee End of Year Bonus (note: action may be taken by the council following the committee of the Whole)

The Council entered into a Committee of the Whole at 8:18 p.m.

Council discussed the potential of an end of year employee bonus to be paid out of the 2019 Budget.

The Council adjourned from Committee of the Whole at 8:23 p.m. and reconvened the Regular Meeting.

Main Motion: To Award Full-Time Employees a Net $1,000 Bonus and Part-Time Employees that Have Worked at Least 500 Hours a $500 Bonus to be Paid out of the 2019 Budget

Moved by:	S. Combs
Seconded by:	Valerius
Vote:	Unanimous
Action:	Motion Carried

2. **Action Memorandum No. 19-093:** Directing the City Clerk to Notify the State of Alaska of the City Council's States of Non-Objection to Liquor Licenses Nos. 119, 5638, and 5716 for Palmer Alehouse, Located at 320 E. Dahlia Street

Main Motion:	**To Approve Action Memorandum No. 19-093**
Moved by:	S. Combs
Seconded by:	Berberich
Vote:	Unanimous
Action:	Motion Carried

3. **Action Memorandum No. 19-094:** Approving the Cancellation of the December 24, 2019, Regular Council Meeting

Main Motion:	**To Approve Action Memorandum No. 19-094**
Moved by:	L. Combs
Seconded by:	S. Combs
Vote:	Unanimous
Action:	Motion Carried

I. RECORD OF ITEMS PLACED ON THE TABLE

City Clerk Alley reported 2020 Census Resolution Request was the Item Placed on the Table.

J. AUDIENCE PARTICIPATION

None.

K. COUNCIL MEMBER COMMENTS

No direction was given to staff for legislation to be placed on a future agenda.

L. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 8:39 p.m.

Approved this _____ day of _____, 2019.

_____
Norma I. Alley, MMC, City Clerk

_____
Edna B. DeVries, Mayor

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on January 14, 2020, at 7:00 p.m. in the Council Chambers, Palmer, Alaska. Mayor DeVries called the meeting to order at 7:00 p.m.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Edna DeVries, Mayor	Linda Combs, Deputy Mayor
Julie Berberich	Sabrena Combs
Richard W. Best (participated telephonically)	Jill Valerius
Steve Carrington	

Staff in attendance were the following:

Nathan Wallace, City Manager	Michael Gatti, City Attorney
Norma I. Alley, MMC, City Clerk	Kara Johnson, Deputy City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
   a. Resolution No. 20-006: Affirming the City's Support of and Partnership with the 2020 Census
   b. Action Memorandum No. 20-001: Authorizing the City Manager to Sign Greene Garden Services Contract Amendment No. 2
2. Approval of Minutes of Previous Meetings
   a. December 10, 2019, Special Meeting

Main Motion:	**To Approve the Agenda and Consent Agenda**
Moved by:	L. Combs
Seconded by:	Valerius
Vote:	Unanimous
Action:	Motion Carried

E. COMMUNICAITONS AND APPEARANCE REQUESTS

1. Presentation by Alaska Farmland Trust Executive Direct Amy Pettit

Ms. Amy Pettit presented on how the Alaska Farmland Trust positively impacts the Valley and asked for the Council to consider working with the Alaska Farmland Trust to put some city land in the Trust to preserve it as farmland in perpetuity.

F. REPORTS

1. City Manager's Report

City Manager Wallace reported on online remote sales tax and evaluation of the City's Wastewater Treatment Plant.

2. City Clerk's Report

City Clerk Alley requested to be notified of members attending the AML Winter Conference in Juneau.

3. Mayor's Report

Mayor DeVries highlighted her written report.

4. City Attorney's Report

None.

G. AUDIENCE PARTICIPATION

Ms. Stephanie Nowers, Mat-Su Borough Assembly Member, provided a Borough legislative update.

Mr. Mark Stigar, MATSAR Search & Rescue, requested support for his Council Community Grant.

Ms. Denise Statz, Alaska Farmland Trust Board Member, testified on the benefits the Alaska Farmland Trust provides to the community, encouraged Council to support the preservation of agriculture land, and expressed support for MATSAR's Council Community Grant application.

Mr. Arthur Keyes testified to the Valley's agriculturally rich soil, impacts of supporting farmland, and encouraged Council to support the preservation of agriculture land.

Mr. Matt Lemons, Hatcher Pass Avalanche Center, requested support for his Council Community Grant.

H. PUBLIC HEARINGS

1. **Resolution No. 20-007:** Identifying the City of Palmer's Capital Project Priorities for State, Federal and Other Interested Parties Funding

Mayor DeVries opened the public hearing on Resolution No. 20-007. Seeing no one come forward to speak and hearing no objection from the Council, the Mayor closed the public hearing.

Main Motion:	**To Approve Resolution No. 20-007**
Moved by:	S. Combs
Seconded by:	L. Combs
Vote:	Unanimous
Action:	Motion Carried

I. NEW BUSINESS

1. **Action Memorandum No. 20-002:** Direction the City Manager to Notify the State of Alaska of the City Council's Statement of Non-Objection to Liquor License No. 4758 for Turkey Red, Located at 550 S. Alaska Street Suite 100

Main Motion:	**To Approve Action Memorandum No. 20-002**
Moved by:	L. Combs
Seconded by:	S. Combs
Vote:	Unanimous
Action:	Motion Carried

2. **Action Memorandum No. 20-003:** Approving a Council Community Grant in the Amount of $1,650.00 to the MATSAR Search and Rescue for Equipment

Main Motion:	**To Approve Action Memorandum No. 20-003**
Moved by:	L. Combs
Seconded by:	S. Combs

Council Member Best stated he did not support the grant application because MATSAR did not meet the City's code in being able to apply for grant money from the City.

City Attorney Gatti stated when the code is read in its entirety, the council had the ability to accept the application's qualifications and could approve the grant at their discretion. Discussion ensued on merits of the applicability of the application to the Code.

Vote on Main Motion:	**To Approve Action Memorandum No. 20-003**
Vote:	3 Yes/ 4 No (Best, Carrington, L. Combs, DeVries)
Action:	Motion Failed

3. **Action Memorandum No. 20-004:** Approving a Council Community Grant in the Amount of $3,000.00 to the Hatcher Pass Avalanche Center

Main Motion:	**To Approve Action Memorandum No. 20-004**
Moved by:	S. Combs
Seconded by:	Berberich

Council Member Best stated he could not support the grant application because Hatcher Pass Avalanche Center is located outside of city limits and did not meet the City's code in being able to apply for grant money from the City.

City Attorney Gatti stated when the code is read in its entirety, the council had the ability to accept the application's qualifications and could approve the grant at their discretion. Discussion ensued on merits of the applicability of the application to the Code.

Main Motion:	**Call the Question**
Moved by:	S. Combs
Seconded by:	Berberich
Vote:	6 Yes/1 No (Best)
Action:	Motion Carried

Vote on Main Motion: To Approve Action Memorandum No. 20-004	
Vote:	4 Yes/3 No (Best, Carrington, DeVries)
Action:	Motion Carried

Mayor Devries called a recess at 9:00 p.m. The meeting reconvened at 9:10 p.m.

City Clerk Alley called a roll call of the Council. Council Member Best was absent at that time.

4. **Information Memorandum No. 20-001:** Committee of the Whole to Discuss City Owned Properties (note: action may be taken by the council following the committee of the whole)

The Council entered into a Committee of the Whole at 9:11 p.m.

Council Member Richard W. Best joined the meeting telephonically at 9:13 p.m.

Council discussed the different city owned properties and potential retention or disposition of properties.

The Council adjourned from Committee of the Whole at 9:49 p.m. and reconvened the Regular Meeting.

J. RECORD OF ITEMS PLACED ON THE TABLE

City Clerk Alley reported Alaska Farmland Trust 2019 Annual Report and Campaign Flyer were Items Placed on the Table.

K. AUDIENCE PARTICIPATION

None.

L. COUNCIL MEMBER COMMENTS

Council Member Carrington and Council Member S. Combs requested the city manager prepare an Action Memorandum for Council to consider awarding funds to MATSAR out of the Council's discretionary funds.

Direction, by unanimous consent, was requested for the Board of Economic Development to review the Palmer Municipal Code regarding the Council Community Grant.

Council Member Combs and Council Member Best requested the city manager look into a dog park on the Cottonwood property.

Mayor DeVries instructed the city manager to begin the process of selling the property located at 2390 S. Glenn Highway.

M. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 10:03 p.m.

Approved this _____ day of _____, 2019.

_____
Norma I. Alley, MMC, City Clerk

_____
Edna B. DeVries, Mayor

Mayor's Memo

Council Meeting report for council Meeting on February 11, 2020

MAYOR/MANAGER MEETING – FEBRUARY 13

AGENDA SETTING MEETING – FEB 12, 26

PALMER KAWANIS FEB 4

AML FEB 17 – 20

FIRE DEPARTMENT DINNER, FEB. 22, 2020

NO MORE MAT SU FEBRUARY 26

OCEANS RECYCLING SOLUTIONS FUND RAISER, FEB. 27

GOLDEN HEART AWARD AT FEB 11 MEEETING

We want and value your input and participation.

Edna DeVries Mayor

907-355-9933 edevries@palmerak.org

City of Palmer
Ordinance No. 20-001

Subject: Amending Palmer Municipal Code Section 5.28 Relating to Itinerant Vendors

Agenda of: January 28, 2020 – Introduction
February 11, 2020 – Public Hearing

Council Action: ☐ **Adopted** ☐ **Amended:** _____
☐ **Defeated**

Originator Information:	
Originator:	City Manager

Department Review:

Route to:	**Department Director:**	**Signature:**	**Date:**
	Community Development		
	Finance		
	Fire		
	Police		
	Public Works		

Approved for Presentation By:

	Signature:	**Remarks:**
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: $ _____

This legislation (√):

	Creates revenue in the amount of:	$ _____
	Creates expenditure in the amount of:	$ _____
	Creates a saving in the amount of:	$ _____
X	Has no fiscal impact	

Funds are (√):

	Budgeted	Line item(s): _____
	Not budgeted	_____

Director of Finance Signature: _____

Attachment(s):

- Ordinance 20-001

Summary Statement/Background:

In 2019, the City of Palmer amended 5.28 roving vendors to update the purpose statement, revise definitions, update insurance requirements and standardize operating procedures. During the update the title of the ordinance was changed to Itinerant Vendors.

These changes originally occurred after review by the Board of Economic Development and the Planning and Zoning Commission. After one year of implementation staff has proposed changes for better clarification and consistency.

Suspension and revocation section(s) were amended to mirror business license suspension and revocation, making the two processes nearly identical.

Administration's Recommendation:

Adopt Ordinance No. 20-001 amending Palmer Municipal Code Chapter 5.28

LEGISLATIVE HISTORY
Introduced by: City Manager
Date: January 28, 2020
Public Hearing:
Action:
Vote:
Yes: No:

CITY OF PALMER, ALASKA

Ordinance No. 20-001

An Ordinance of the Palmer City Council Amending Palmer Municipal Code Section 5.28 Relating to Itinerant Vendors

WHEREAS, the City of Palmer, Alaska ("City") is a home rule city and, under Section 11 of Article X of the Alaska Constitution, may exercise all legislative power not prohibited by law or the Charter of the City, and the City has determined that the matter set forth in this ordinance is not prohibited by law or the Charter; and

WHEREAS, after one season of implementation, clarification for special event and special event sponsors is necessary to consistently administer Title 5.28 for compliance with land use regulation, licensing requirements and health and safety as well as to standardize processes associated with revocation and suspension of permits.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code Chapter 5.28.010 is hereby added to read as follows (new language is underlined and deleted language is stricken):

5.28.010 Special Event.
"Special Event" means activities or any kind of public celebration or event designated by the city manager such as Colony Days, Alaska State Fair parade, Friday Flings, events as street fairs, and large public gatherings as may be organized by a special event organizer ~~the Palmer Economic Development Authority, Palmer Chamber of Commerce or the Palmer Museum of History and Art~~, a city department, or similar organizations and officially authorized by the city manager.

Section 4. Palmer Municipal Code Chapter 5.28.010 is hereby added to read as follows (new language is underlined, and deleted language is stricken):

5.28.010 (E) Special Event Organizer.
"Special Event Organizer" means any individual, business, organization, or other entity that is hosting, organizing, holding or sponsoring a special event that affects the standard and ordinary use of public property, streets, right-of way, or if on private property, will nevertheless affect, interfere with the standard, ordinary and normal use of public property.

Section 5. Palmer Municipal Code Chapter 5.28.015 is hereby amended (new language is underlined, and deleted language is stricken):

5.28.015 Purpose
D. Promote compliance with relevant building, land use regulatory requirements, licensing and permit requirements, fire, health and safety codes.

Section 6. Palmer Municipal Code Chapter 5.28.035(A)(B) is hereby amended (new language is underlined, and deleted language is stricken):

5.28.035 Exemptions
A. An itinerant vendor solely located at the Alaska State Fairgrounds, or a recognized Special Event are exempt from provisions of this chapter, however the itinerant vendor must obtain ~~an Alaska State Fair or special Event~~ Business license as applicable ~~and remit sales tax due to the City of Palmer finance department~~.

B. An itinerant vendor that meets the criteria of the chapter for a special event as authorized by the city manager and has obtained a Special Event Business license, or an annual City of Palmer business license and remit sales tax due to the City of Palmer finance department.

Section 7. Palmer Municipal Code Chapter 5.28.050 is hereby amended (new language is underlined, and deleted language is stricken):

5.28.050 Permit – Suspension or revocation permit.
~~The director of community development may revoke an itinerant vendor permit for any of the reasons listed in 5.28.110~~
A. The city manager, or designee, may suspend or revoke an itinerant vendor permit if a permittee is in violation of any requirement of this chapter, code, or any regulation.

B. The city manager, or designee, may suspend the permit of a vendor who is delinquent in the remittance of sales tax or sales tax returns under Chapter PMC 3.16, Sales Tax.

C. A suspension issued under this section shall be effective immediately upon the giving of written notice of suspension for failure to remit and pay city sales taxes to the city.

D. A permit suspended under this section shall be lifted upon the permittee's compliance with the city sales tax requirements, including remittance and payment of all delinquent sales taxes, sales tax returns, interest and penalties.

Section 8. Palmer Municipal Code Chapter 5.28.160 is hereby added (new language is underlined, and deleted language is stricken):

5.28.160 Permit – Suspension or revocation – Notice

A. The city manager, or designee, may not suspend or revoke an itinerant vendor permit without first providing the vendor at least 15 days' written notice of the intent to suspend or revoke the itinerant vendor permit and an opportunity for a hearing on the suspension or revocation.

B. The notice required under this section shall be as follows:

1. Notice of the proposed revocation or suspension shall be made in writing and mailed via certified mail, return receipt requested, to the last known address of the permittee.

2. Notice of the proposed revocation or suspension shall contain the name and address of the permittee, the name of the itinerant vendor for which the permit was issued, and describe the reason for the revocation or suspension with citation to the relevant code provision, if applicable, and the name, address and telephone number of the city representative to contact concerning the proposed revocation or suspension.

3. The notice of suspension or revocation shall also contain a statement advising permittee of their right to request a hearing to challenge the proposed suspension or revocation pursuant to subsections (C) and (D) of this section.

C. The permittee has a right to a hearing on the proposed revocation or suspension by requesting a hearing in writing to the city representative identified in the notice of suspension or revocation not more than 30 days after the date of the notice of proposed revocation or suspension. Within 10 days of receipt of a written request for a hearing, the city manager, or designee, shall schedule a hearing on the proposed suspension or revocation pursuant to PMC 5.28.170.

D. Failure to request a hearing within 30 days of receipt of a notice of suspension or revocation constitutes a waiver of any further rights to appeal under this chapter and the decision of the city manager shall become final 30 days after the date of notice given pursuant to subsection (B) of this section.

Section 9. Palmer Municipal Code Chapter 5.28.050 is hereby added (new language is underlined, and deleted language is stricken):

5.28.170 Permit – Suspension or revocation – Hearing.

A. A hearing requested pursuant to PMC 5.28.160 shall be held before the city manager or designee. This hearing shall be recorded, conducted in an informal manner, and shall not be bound by the formal rules of evidence.

B. The purpose of the hearing shall be to determine whether good cause exists for suspending or revoking a permit issued under this chapter. Good cause exists when it is determined that the permittee is in violation of the requirements of this chapter or any other requirement of this code.

C. The permittee has the right to appear, present evidence, and examine and/or cross-examine witnesses for the purpose of establishing that permittee is not in violation of the requirements of

this chapter. The city manager, or designee, has the right to cross-examine any witnesses presented by the permittee.

D. Failure of the permittee to appear at the time set for a hearing requested under this section, except for good cause shown, shall result in a waiver of any further appeal rights and the decision of the city manager becomes final.

E. Within 10 days following the conclusion of the hearing, the city manager, or designee, shall issue a written decision whether to suspend or revoke the permit which contains written findings in support of the decision based upon the evidence presented at the hearing. A written decision to suspend or revoke an itinerant vendor permit issued pursuant to this chapter shall advise the permittee of their right to appeal the decision pursuant to PMC 5.28.180. A copy of the decision shall be provided to the permittee via certified mail, return receipt requested, and shall take effect immediately upon its issuance.

Section 10. Palmer Municipal Code Chapter 5.28.180 is hereby added (new language is underlined, and deleted language is stricken):

5.28.180 Appeals to superior court.

A. A permittee may appeal a decision made pursuant to PMC 5.28.170 not later than 30 days following the date of written notice of the decision from the city manager. Failure to appeal a decision made pursuant to PMC 5.28.170 within 30 days of the date of notice constitutes a waiver of his or her appeal rights and the city manager's decision becomes final.

B. Appeals from the written decision of the hearing officer shall be made to the superior court for the state of Alaska, in Palmer, Alaska. The hearing before the superior court shall be treated as an administrative appeal heard solely on the record and shall be governed by Part VI of the Alaska Court Rules of Appellate Procedure (Superior Court as an Appellate Court), as amended.

C. A permittee bringing an appeal under this section shall be responsible for the costs to prepare a transcript and record of the hearing conducted in accordance with PMC 5.28.170. Upon receipt of a notice of appeal, the city clerk shall estimate the cost of preparing the transcript of the hearing and compiling the record on appeal. The permittee shall deposit the estimated costs for preparation of the transcript and record with the city clerk in advance of preparation of the transcript and record. The city clerk shall refund any excess deposit or charge to the business owner for costs exceeding the deposit.

Section 11. Palmer Municipal Code Chapter 5.28.100 is hereby amended (new language is underlined, and deleted language is stricken):

5.28.100 Required insurance.

A. Before any permit is issued for an itinerant vendor that will operate on public property, the applicant shall furnish one or more policies or certificates of liability insurance issued by an insurance company authorized to do business in the state and reflecting the applicable coverage:

1. A vendor of food or beverages, ~~goods or services~~ shall have general liability including products liability insurance in the amount of $1,000,000 combined single limit (CSL)., bodily injury and property damage per occurrence and $2,000,000 aggregate.

2. A vendor may be covered under an special event organizer's general liability including products liability insurance. An event sponsor, including recognized special events, are

responsible for providing the city of Palmer with an additional insured and waiver of subrogation endorsement that includes the sponsor and all itinerant vendor permit holders.

B. No policy of insurance offered pursuant to this section shall be acceptable unless it is issued by an insurance company authorized to do business in Alaska or by an insurance company rated "A" or "B" by A.M. Best and Co. In addition, the policy must be approved by the municipal risk manager or the city's insurance broker as to matters of form.

~~C. Every insurance policy shall contain a clause obligating the insurer to give the director of finance written notice no less than 30 days before the cancellation, expiration, nonrenewal, lapse or other termination or alteration of such insurance. A lapse, cancellation, expiration, nonrenewal or other termination or alteration of such insurance shall cause the license to which it pertains to be automatically suspended for so long as the insurance required by this section is not in place~~.

Section 12. Effective Date. Ordinance No. 20-001 shall take effect upon adoption by the City of Palmer City Council.

Passed and approved this _____ day of _____, 2020.

_____
Edna B. DeVries, Mayor

_____
Norma I. Alley, MMC, City Clerk

City of Palmer
Resolution No. 19-005-B

Subject: Amending the 2019 City of Palmer Budget for the Fiscal Year Ending December 31, 2019

Agenda of: February 11, 2020

Council Action: ☐ **Approved** ☐ **Amended:** _____
☐ **Defeated**

Originator Information:

Originator: City Manager

Approved for Presentation By:

	Signature:	**Remarks:**
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: $ **$409,015 All Funds**
$ **387,087 GF; (2,087) Water/Sewer Fund**
$ **(945) Airport Fund; 25,140 Golf Course Fund**
$

This legislation (√):

√	Creates revenue in the amount of:	$ 629,094
√	Creates expenditure in the amount of:	$ 220,079
	Creates a saving in the amount of:	$
	Has no fiscal impact	

Funds are (√):

	Budgeted	Line item(s):
√	Not budgeted	Various Line Items; Refer to Resolution

General fund unassigned balance (after requested budget modification): $ 3,295,668
Enterprise unrestricted net position (after requested budget modification): $ (13,926)

Director of Finance Signature: _____

Attachment(s):

- Resolution No. 19-005-B

Summary Statement:

The yearend budget amendment adjusts revenues and expenditures/expenses for additional revenues received, grants, reimbursed expenditures and budget clean-up.

The General Fund (01) revenue adjustments include the following:

- Decrease in Arena Rental from original 2019 budget
- Increase in Tournaments from original 2019 budget
- Increase in Skate Sharpening from original 2019 budget
- Decrease in Shinny Hockey from original 2019 budget
- Decrease in Learn to Skate from original 2019 budget
- Increase in Motor Vehicle Tax due to new calculation by the Matsu Borough
- Decrease in Business License Penalty from original 2019 budget
- Increase in Building Plan Review from original 2019 budget
- Increase in Building Permits from original 2019 budget
- Increase in Library Grant Revenues from Continuing Education Grant
- Decrease in Municipal Aid from original 2019 budget
- Increase in Liquor License from original 2019 budget
- Decrease in Co-op Taxes Electric & Telephone from original 2019 budget
- Increase in Fire Services Contract with Matsu Borough from original 2019 budget
- Decrease in Planning and Zoning from original 2019 budget
- Increase in Grants Overhead from original 2019 budget
- Increase in Fines & Forfeitures-Delinquent from original 2019 budget
- Increase in Interest/Investment Earnings from original 2019 budget
- Increase in Public Safety No 2 Rent from original 2019 budget
- Increase in Property & Equipment Sales Public Safety for the sale of ladder truck
- Increase in SART Revenue off set by expenditures in PD
- Increase in Miscellaneous Income-Public Safety for the McKinley Fire reimbursement labor, fuel, fire trucks usage.
- Increase in Miscellaneous Income for MEA Capital credits, APEI grant for office equipment
- Increase to recognize PERS on Behalf from the State of Alaska

The General Fund (01) expenditure adjustments include the following:

- Decreases in City Managers budget in regular benefits, unemployment taxes to the appropriate departments for state unemployment taxes, and the wellness fund for the biometric screening initiative to various departments.
- Increase in Finance budget for regular benefits partially for wellness fund biometric screening, increase to PERS on Behalf expenditure line item to offset the revenue, increase to office equipment for the purchase of stand-up desktops reimbursed through an APEI insurance grant.
- Decrease in Community Development budget for regular benefits.
- Non-departmental budget for an increase to transfers out to the Airport Capital fund for the paving of airport trail off of S. Gulkana to Cope Industrial, decreases in transfers out for the Airport and Golf Course due to increase revenues in those funds.
- Increases to the Police budget for regular salaries, regular benefits, regular overtime. Increase in Services off set by the SART revenue, increase budget for the Video Security System at the Airport and the Amoosement Park, increase in regular benefits for Dispatch for the biometric screening initiative, and increase to Dispatch regular overtime.

- Increase in Fire budget for regular benefits for the wellness fund biometric screening initiative and an increase to the PT Salaries for the increase of staffing of the volunteer firefighters at the station due to the dry summer conditions.
- Increase in Public Works regular benefits for the biometric screening initiative, increase in unemployment taxes for actual expenditures, decrease in salaries and regular benefits of the Vehicle Maintenance due to only one mechanic on staff.
- Decrease in Library regular benefits. Increase to travel and training for grant expenditures for the Continuing Education Grant.
- Decrease in MTA Events Center part time salaries.

The Water/Sewer Fund (02) decrease in Sewer Charges revenues from original 2019 budget. Increase in other revenues from original 2019 budget. Increase for PERS on Behalf from the State of Alaska and offsetting expense.

The Airport Fund (03) increases to revenues for Fuel Flowage Fees, Airport Tiedowns and Land Leases from original 2019 budget. Increase in Miscellaneous Income for damaged fence reimbursed by insurance, Enstar main extension deposit refunds and airport signage reimbursements. Increase in revenue for PERS on Behalf from the State of Alaska and offsetting expense. Decrease in Transfers from Other Funds due to increase in revenues. Decrease in expenses for regular benefits and part time salaries.

The Solid Waste Fund (05) increases in PERS on Behalf revenue from the State of Alaska and offsetting expense.

The Golf Course Fund (15) increases to revenues for Green Fees, Golf Cart Rentals, and Driving Range. Decreases for Presold Greens, Trail Fees and Transfers from other Funds. Increase in expense line items from original 2019 budget. Decrease in Equipment and Golf Course CIP expense line items to return to the General Fund for future 2020 golf course capital projects.

The Airport Capital Projects Fund (30) increases to Transfer In for the paving of the Pathway on S. Gulkana to Cope Industrial Way with the increase to the offsetting expense.

Administration's Recommendation:

Approve Resolution No. 19-005-B amending the 2019 City of Palmer Budget for the fiscal year ending December 31, 2019.

LEGISLATIVE HISTORY
Introduced by: City Manager
Public Hearing: February 11, 2020
Action:
Vote:
Yes: No:

CITY OF PALMER, ALASKA

Resolution No. 19-005-B

A Resolution of the Palmer City Council Amending the Budget for the City of Palmer, Alaska for the Fiscal Year Ending December 31, 2019

WHEREAS, at the February 11, 2020 council meeting the manager presented budget amendments and the City Council approved increasing the General Fund (01) revenues $593,026 and increasing General Fund (01) expenditures $206,119 for a net increase of $386,907; and

WHEREAS, at the February 11, 2020 council meeting the manager presented budget amendments and the City Council approved increasing the Water/Sewer Fund (02) revenues $16,925 and increasing the Water/Sewer Fund (02) expenses $19,012 for a net decrease of $2,087; and

WHEREAS, at the February 11, 2020 council meeting the manager presented budget amendments and the City Council approved decreasing the Airport Fund (03) revenues $31,518 and decreasing Airport Fund (03) expenses $30,573 for a net decrease of $945; and

WHEREAS, at the February 11, 2020 council meeting the manager presented budget amendments and the City Council approved increasing the Solid Waste Fund (05) revenues $3,743 and increasing the Solid Waste Fund (05) expenses by $3,743; and

WHEREAS, at the February 11, 2020 council meeting the manager presented budget amendments and the City Council approved increasing the Golf Course Fund (15) revenues $19,003 and decreasing the Golf Course Fund (15) expenses $6,137 for a net increase of $25,140; and

WHEREAS, at the February 11, 2020 council meeting the manager presented budget amendments and the City Council approved increasing the Airport Capital Fund (30) revenues $27,915 and increasing the Airport Capital Fund (30) expenses $27,915.

NOW, THEREFORE, BE IT RESOLVED by the Palmer City Council hereby amends the 2019 Budget as follow:

Line item description	Current 2019 Budget	Proposed Amendment	Amended 2019 Budget
GENERAL FUND (01)			
General Fund (01) Revenues:			
01-00-00-3002 Arena Rental	$ 10,000	$ (9,000)	$ 1,000
01-00-00-3006 Tournaments	$ 2,000	$ 4,000	$ 6,000
01-00-00-3008 Skate Sharpening	$ 2,000	$ 2,000	$ 4,000
01-00-00-3009 Shinny Hockey	$ 6,000	$ (2,900)	$ 3,100
01-00-00-3014 Learn to Skate	$ 8,500	$ (6,500)	$ 2,000
01-00-00-3111 Motor Vehicle Tax	$ 171,175	$ 62,230	$ 233,405
01-00-00-3211 Business License Penalty	$ 14,000	$ (7,500)	$ 6,500
01-00-00-3218 Building Plan Review	$ 30,000	$ 60,844	$ 90,844
01-00-00-3221 Building Permits	$ 70,000	$ 106,400	$ 176,400
01-00-00-3343 Library Grants	$ 16,150	$ 1,250	$ 17,400
01-00-00-3350 Municipal Aid	$ 195,000	$ (29,600)	$ 165,400
01-00-00-3351 Liquor License	$ 13,000	$ 2,000	$ 15,000
01-00-00-3362 Co-op Taxes Electric & Telephone	$ 145,000	$ (14,000)	$ 131,000
01-00-00-3425 Fire Service Contract	$ 382,783	$ 4,291	$ 387,074
01-00-00-3427 Planning & Zoning	$ 5,000	$ (4,000)	$ 1,000
01-00-00-3440 Grants Administrative Overhead	$ 5,000	$ 9,205	$ 14,205
01-00-00-3511 Fines & Forfeitures – Delinquent	$ 48,000	$ 31,651	$ 79,651
01-00-00-3610 Interest/Investment Earnings	$ 25,000	$ 60,000	$ 85,000
01-00-00-3624 Public Safety No 2 Rent	$ 43,877	$ 8,300	$ 52,177
01-00-00-3663 Property & Equip Sales PS	$ 0	$ 5,362	$ 5,362
01-00-00-3685 SART Revenue	$ 0	$ 3,375	$ 3,375
01-00-00-3689 Misc. Income – Public Safety	$ 6,226	$ 30,040	$ 36,266
01-00-00-3690 Misc. Income	$ 0	$ 13,509	$ 13,509
01-00-00-3691 NPO Write Off/PERS Relief	$ 0	$ 262,069	$ 262,069
TOTAL GENERAL FUND REVENUE AMENDMENTS		$ **593,026**	
General Fund (01) Expenditures:			
City Manager Department:			
01-01-05-6012 Regular Benefits	$ 178,297	$ (22,000)	$ 158,297
01-01-05-6072 Unemployment Tax Expense	$ 18,000	$ (13,000)	$ 5,000
01-01-05-6065 Wellness Fund	$ 15,000	$ (6,300)	$ 8,700
Total City Manager Department Amendments		$ **(41,300)**	
Finance Department:			
01-01-10-6012 Regular Benefits	$ 351,093	$ 6,200	$ 357,293
01-01-10-6017 PERS on Behalf General Fund	$ 0	$ 262,069	$ 262,069
01-01-10-6054 Office Equipment	$ 8,500	$ 2,870	$ 11,370
Total Finance Department Amendments		$ **271,139**	
Community Development Department:			
01-01-12-6012 Regular Benefits	$ 257,610	$ (25,000)	$ 232,610
Total Community Development Department Amendments		$ **(25,000)**	
Non-Departmental:			
01-01-70-6078 Transfers Out	$ 1,358,881	$ 27,915	$ 1,386,796
01-01-70-6078 Transfers Out	$ 1,358,881	$ (69,289)	$ 1,289,592
01-01-70-6078 Transfers Out	$ 1,358,881	$ (24,988)	$ 1,333,893
Total Non-Departmental Amendments		$ **(66,362)**	
Police Department:			
01-12-10-6011 Regular Salaries	$ 1,044,339	$ 20,000	$ 1,064,339
01-12-10-6012 Regular Benefits	$ 929,077	$ 31,200	$ 960,277
01-12-10-6015 Regular Overtime	$ 160,000	$ 34,000	$ 194,000
01-12-10-6029 Services	$ 35,000	$ 2,254	$ 37,254

Line item description	Current 2019 Budget	Proposed Amendment	Amended 2019 Budget
01-12-10-6039 Video Security System	$ 0	$ 2,200	$ 2,200
01-12-70-6012 Regular Benefits	$ 390,140	$ 1,200	$ 391,340
01-12-70-6015 Regular Overtime	$ 60,000	$ 35,000	$ 95,000
Total Police Department Amendments		$ **125,854**	
Fire Department:			
01-13-10-6012 Regular Benefits	$ 154,465	$ 750	$ 155,215
01-13-10-6013 PT Salaries	$ 216,132	$ 18,588	$ 234,720
Total Fire Department Amendments		$ **19,338**	
Public Works Department:			
01-17-10-6012 Regular Benefits	$ 325,653	$ 750	$ 326,403
01-17-10-6072 Unemployment Tax Expense	$ 0	$ 10,000	$ 10,000
01-17-40-6012 Regular Benefits	$ 155,873	$ 450	$ 156,323
01-17-80-6011 Regular Salaries	$ 123,488	$ (25,000)	$ 98,488
01-17-80-6012 Regular Benefits	$ 107,056	$ (18,000)	$ 89,056
01-17-90-6072 Unemployment Tax Expense	$ 0	$ 3,000	$ 3,000
Total Public Works Department Amendments		$ **(28,800)**	
Library:			
01-19-10-6012 Regular Benefits	$ 212,897	$ (25,000)	$ 187,897
01-19-27-6024 Travel (Continuing Education Grant)	$ 995	$ 915	$ 1,910
01-19-27-6026 Training (CEG)	$ 255	$ 335	$ 590
Total Library Amendments		$ **(23,750)**	
MTA Events Center:			
01-19-40-6013 PT Salaries	$ 88,283	$ (25,000)	$ 63,283
Total MTA Events Center Amendments		$ **(25,000)**	
TOTAL GENERAL FUND EXPENDITURES AMENDMENTS		$ **206,119**	
WATER/SEWER FUND (02)			
Revenues:			
02-00-00-3470 Sewer Charges	$ 1,408,694	$ (20,000)	$ 1,388,694
02-00-00-3609 Penalty	$ 20,000	$ 8,000	$ 28,000
02-00-00-3640 Credit Card Fees	$ 4,500	$ 2,472	$ 6,972
02-00-00-3690 Miscellaneous Income	$ 0	$ 1,641	$ 1,641
02-00-00-3691 NPO Write Off/PERS on Behalf	$ 0	$ 19,012	$ 19,012
02-00-00-3694 Connection Fee	$ 15,000	$ 5,800	$ 20,800
TOTAL WATER/SEWER FUND REVENUE AMENDMENTS		$ **16,925**	
Expenses:			
02-01-10-6018 PERS on Behalf	$ 0	$ 10,267	$ 10,267
02-01-50-6018 PERS on Behalf	$ 0	$ 8,745	$ 8,745
TOTAL WATER/SEWER FUND EXPENSE AMENDMENTS		$ **19,012**	
AIRPORT FUND (03)			
Revenues:			
03-00-00-3375 Fuel Flowage Fees Revenue	$ 7,000	$ 7,567	$ 14,567
03-00-00-3430 Airport Revenue-Tiedowns	$ 25,000	$ 4,266	$ 29,266
03-00-00-3431 Land Leases	$ 146,200	$ 12,554	$ 158,754
03-00-00-3673 Transfer from other funds	$ 156,000	$ (69,289)	$ 86,711
03-00-00-3690 Miscellaneous Income	$ 0	$ 8,359	$ 8,359
03-00-00-3691 NPO Write Off/PERS Relief	$ 0	$ 5,025	$ 5,025
TOTAL AIRPORT FUND REVENUE AMENDMENTS		$ **(31,518)**	
Expenses:			
03-01-10-6012 Regular Benefits	$ 62,958	$ (20,000)	$ 42,958

Line item description	Current 2019 Budget	Proposed Amendment	Amended 2019 Budget
03-01-10-6013 PT Salaries	$ 19,000	$ (15,598)	$ 3,402
03-01-10-6018 PERS on Behalf	$ 0	$ 5,025	$ 5,025
TOTAL AIRPORT FUND EXPENSE AMENDMENTS		$ **(30,573)**	
SOLID WASTE FUND (05)			
Revenues:			
05-00-00-3691 NPO Write Off/PERS on Behalf	$ 0	$ 3,743	$ 3,743
TOTAL SOLID WASTE FUND REVENUE AMENDMENTS		$ **3,743**	
Expenses:			
05-01-10-6018 PERS on Behalf	$ 0	$ 3,743	$ 3,743
TOTAL SOLID WASTE EXPENSE AMENDMENTS		$ **3,743**	
GOLF COURSE FUND (15)			
Revenues:			
15-00-00-3479 Presold Green Fees	$ 163,000	$ (10,085)	$ 152,915
15-00-00-3481 Green Fees	$ 230,000	$ 28,450	$ 258,450
15-00-00-3482 Golf Cart Rentals	$ 115,000	$ 15,978	$ 130,378
15-00-00-3483 Driving Range Revenues	$ 30,000	$ 10,300	$ 40,300
15-00-00-3484 Trail Fees	$ 7,000	$ (652)	$ 6,348
15-00-00-3673 Transfers from Other Funds	$ 82,000	$ (24,988)	$ 57,012
TOTAL GOLF COURSE REVENUE AMENDMENTS		$ **19,003**	
Expenses:			
15-01-10-6029 Services	$ 15,000	$ 5,468	$ 20,468
15-01-10-6030 Power-Clubhouse & Irrigation	$ 17,000	$ 6,164	$ 23,164
15-01-10-6034 Water Sewer Garbage	$ 1,600	$ 947	$ 2,547
15-01-10-6036 Rentals & Lease	$ 7,500	$ 1,836	$ 9,336
15-01-10-6037 Insurance	$ 8,923	$ 305	$ 9,228
15-01-10-6045 Repair & Maintenance	$ 15,000	$ 3,431	$ 18,431
15-01-10-6053 Equipment	$ 65,000	$ (8,500)	$ 56,500
15-01-10-6200 Golf Course CIP	$ 42,000	$ (16,488)	$ 25,512
15-01-10-6590 Beer Expenses	$ 0	$ 700	$ 700
TOTAL GOLF COURSE EXPENSE AMENDMENTS		$ **(6,137)**	
AIRPORT CAPITAL PROJECTS FUND (30)			
Revenues:			
30-00-00-3673 Transfers In	$ 82,533	$ 27,915	$ 110,448
TOTAL AIRPORT CAPITAL PROJECTS REVENUE AMENDMENTS		$ **27,915**	
Expenses:			
30-30-10-6200 Path Upgrade S. Gulkana	$ 20,000	$ 27,915	$ 47,915
TOTAL AIRPORT CAPITAL PROJECTS EXPENSE AMENDMENTS		$ **27,915**	

Approved by the Palmer City Council this ____ day of _____, 2020.

_____
Edna B. DeVries, Mayor

_____
Norma I. Alley, MMC, City Clerk

City of Palmer
Action Memorandum No. 20-012

Subject: Approving a Council Grant in the Amount of $1,650.00 to the MATSAR Search and Rescue for the Year 2020

Agenda of: February 11, 2020

Council Action: ☐ **Approved** ☐ **Amended:** _____
☐ **Defeated**

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
	Community Development		
X	Finance		01/15/2020
	Fire		
	Police		
	Public Works		

Approved for Presentation By:

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: $ **1,650.00**

This legislation (√):

	Creates revenue in the amount of:	$
X	Creates expenditure in the amount of:	$ 1,650.00
	Creates a saving in the amount of:	$
	Has no fiscal impact	

Funds are (√):

X	Budgeted	Line item(s): 01-02-10-6069
	Not budgeted	

Director of Finance Signature: _____

Attachment(s):

- Grant Application

Summary Statement/Background:

The MATSAR Search and Rescue is requesting a $1,650 grant to help finance operations for 2020. Grant funds will be used to pay for rope throw bags, snowshoes, an iPad and search management software.

MAT SAR has not received grant funding from Palmer in the past.

On January 14, 2020, the City Council disapproved a Community Council Grant to MAT SAR as it didn't qualify as an event within the city.

Council indicated that this was a good cause, but not technically a Community Council Grant.

The City Manager was directed to work with MAT SAR and resubmit this request as a grant that could be funded by Council Discretionary Funds.

Administration's Recommendation:

To approve Action Memorandum No. 20-012 for a Council Grant to the MATSAR Search and Rescue for Support Equipment for the year 2020

MATSAR Request for City of Palmer
Grant
501C3 # 20-0475618

Organization Summary Information

All Land Search and Rescue by Alaska Statute falls under the Alaska State Troopers (AST). In recent years little to no money has been allocated for training and equipping the all volunteer "First Responder" Search and Rescue Organizations such as MATSAR. The AST does limited reimbursement for expenses incurred during an actual Search and Rescue deployment and participants are covered under State Workers Compensation. MATSAR only responds after receiving approval by the Alaska State Troopers.

MATSAR has no other avenue but fundraising as a non-profit to acquire Search and Rescue Equipment and provide for training, operations and maintenance.

The requested funding of $1650 will assist the organization MATSAR to be more effective as a "First Responder" for callouts by the Alaska State Troopers.

Scope of Work

Purchasing the following equipment will allow MATSAR to be more effective in conducting Search and Rescues not only in Palmer and The MATSU but Statewide.

1. Fuel Card for MATSAR Truck
2. 12 Volt Jump Start Battery
3. Rope Throw Bags for Near Shore Rescue
4. IPAD/App for Search Management
5. Snowshoes

Additionally, MATSAR for the second year is conducting a Search and Rescue Academy for MATSAR members, Volunteer Mat Su Borough First Responders, VPSOs and Search Team members from the NW Arctic Borough. Training is conducted in the Palmer Based, National Outdoors Leadership School -Jan 24-27, 2019. Food and supplies purchased in Palmer

Eligibility

1. MATSAR provides Search and Rescue assistance inside and the surrounding areas of the City of Palmer. MATSAR is a 501C3 nonprofit.
2. MATSAR participates every year in the Colony Christmas parade, has given presentations of capabilities to Palmer Chamber of Commerce, Rotary, Kiwanis, Elks as well as numerous schools and other events.

3. MATSAR has recently received funding from the MATSU Heath Foundation, sponsoring the 2020 MATSAR Search and Rescue Academy as well as MATSAR is on Pick-Click-Give, Amazon Smiles, Fred Meyers Rewards and applying with the MATSU Parks and Trails Foundation for other truck related equipment.
4. This funding request from MATSAR economically assists the City of Palmer by providing an expected level of First Response in an emergency as well as promotes wellness by providing rescue and recovery for those in need both residents and visitors as well. Funding this grant assists MATSAR to promote and educate Community members in responsible preparation before exploring the outdoors.
5. MATSAR has been committed to provide Search and Rescue as well as education to Palmer and the MATSU since its beginning in 2003.

Budget Overview for MATSAR other than this request.

MATSAR has received in-kind and cash donations recently from the following organizations:

- City of Palmer- Equipment Storage space at Palmer Fire Academy
- Susitna Rotary - cash donation for rescue boat purchase
- MATSU Borough EMS-
  - Certification support for medical qualifications
  - Winter Rescue Boat Storage
  - Safety Equipment for MATSAR Truck
  - Building Use for training
  - SAR Radio maintenance support
  - Loan of medical equipment for MATSAR's support of local MSB School District athletic events
- Matsu Heath Foundation sponsorship of 2020 SAR Academy
- Mat Valley Mini Storage- Covered Storage
- Eagle Eye Secure Storage - vehicle secure storage and warm storage for temperature sensitive rescue equipment
- Elks Club- Use of facilities for training
- Pick Click Give
- Amazon Smiles
- Fred Meyers Rewards
- National Outdoors Leadership School- Use of facility for training
- Matanuska Telephone Association- funding to pay for SAR Call Out Notification telephone system
- Remind Teacher/Parent Texting system-Texting system used for callouts.
- State of Alaska- DOT Excess used 2012 Pickup Truck

Community Benefit and Reporting

MATSAR at the end of each years mission cycle (December) will send to the City Manager, to be shared with Council, a summary of MATSAR callouts which City funds assisted accomplishment. Additionally, when requested will be present to summarize the report at City Council meetings.

City of Palmer
Action Memorandum No. 20-013

Subject: Authorizing the City Manager to Enter into a Two-Year Agreement to Purchase Healthcare Insurance Coverage with Premera through the City's Healthcare Insurance Broker, USI Insurance Services

Agenda of: February 11, 2020

Council Action: ☐ **Approved** ☐ **Amended:** _____
☐ **Defeated**

Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
	Community Development		
√	Finance		01/21/2020
	Fire		
	Police		
	Public Works		

Approved for Presentation By:

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: $ **1,764,008.12**

This legislation (√):

	Creates revenue in the amount of:	$
√	Creates expenditure in the amount of:	$ 1,764,008.12
	Creates a saving in the amount of:	$
	Has no fiscal impact	

Funds are (√):

√	Budgeted	Line item(s): Various lines
	Not budgeted	

Director of Finance Signature: _____

Attachment(s):

- USI Consulting's Premera rate quote

Summary Statement/Background:

The City's Healthcare Insurance Broker, USI presented the attached rate quote to the administration for the 2020 and 2021 City's Healthcare requirements beginning April 1, 2020.

If the City enters into a two year agreement with Premera, the City will receive a one month "payment holiday" (approximately 8% discount) each year. The City will also have a locked premium increase to no more than 9% annually in the contract year 2021. The exact amount for 2021 is not available at this time as it is based on the annual quote.

Current healthcare cost with Alaska Public Utility Insurance Trust for 2020 is estimated at $2,129,687 with no increase cap for 2021.

Estimated cost with Premera for 2020 is $1,764,008 with a capped increase for 2021 at 9%. The cost includes an additional City funded Healthcare Reimbursement Account (HRA) of $2,000 per employee that can be used to offset deductibles, prescriptions, vision and dental costs. The unused balance of the HRA remains with the City at year end to be used in future years.

The end result is an estimated annual savings of $365,679 to the City with what is anticipated to be an improved healthcare benefit for the employees.

The City will also inform the Alaska Public Utility Insurance Trust of its withdrawal from the trust and termination of healthcare with Meritain if this action is approved.

Administration's Recommendation:

To approve Action Memorandum No. 20-013 Authorizing the City Manager to Enter into a Two Year Agreement to Purchase Healthcare Insurance Coverage with Premera through the City's Healthcare Insurance Broker, USI

PREMERA | BLUE CROSS BLUE SHIELD OF ALASKA

Preferred Choice Rate Exhibit for City of Palmer

Effective Date: 04/01/2020
Agency Name: Kibble & Prentice Holding Co
Premera Representative: Bradley Olson

Medical Commission: 0.00%
Dental Commission: 0.00%

	Monthly Rates Effective: 04/01/2020				
	EE	ES	ESC	EC	Total Monthly Premium
Medical Census	**21**	**9**	**25**	**7**	**62**

AK Heritage Plus Plans

Premera Preferred Choice - HP $1000/20%/$4500/$25/$60	$1,090.74	$2,454.16	$3,272.22	$1,908.80	$140,160.08
Premera Preferred Choice - HP $2000/20%/$4500/$25/$65	$1,037.16	$2,333.61	$3,111.48	$1,815.03	$133,275.06
Premera Preferred Choice - HP $3000/20%/$6000/$30/$65	$966.69	$2,175.05	$2,900.07	$1,691.71	$124,219.66
Premera Preferred Choice - HP $4000/20%/$6000/$30/$65	$934.28	$2,102.13	$2,802.84	$1,634.99	$120,054.98
Premera Preferred Choice - HP $500/20%/$3500/$20/$60	$1,144.00	$2,574.00	$3,432.00	$2,002.00	$147,004.00
Premera Preferred Choice - HP $5000/30%/$7150/$45/$80	$877.91	$1,975.30	$2,633.73	$1,536.34	$112,811.44
Premera Preferred Choice - HP $6000/30%/$7350/$45/$80	$853.95	$1,921.39	$2,561.85	$1,494.41	$109,732.58
Premera Preferred Choice - HP H.S.A. AGG $1500/20%/$3000	$1,150.16	$2,587.86	$3,450.48	$2,012.78	$147,795.56
Premera Preferred Choice - HP H.S.A. AGG $1500/20%/$3000 - Essentials	$1,136.53	$2,557.19	$3,409.59	$1,988.93	$146,044.10
Premera Preferred Choice - HP H.S.A. AGG $2000/20%/$5000	$1,079.28	$2,428.38	$3,237.84	$1,888.74	$138,687.48
Premera Preferred Choice - HP H.S.A. AGG $2000/20%/$5000 - Essentials	$1,065.65	$2,397.71	$3,196.95	$1,864.89	$136,936.02
Premera Preferred Choice - HP H.S.A. EMB $3000/20%/$5000	$1,035.67	$2,330.26	$3,107.01	$1,812.42	$133,083.60
Premera Preferred Choice - HP H.S.A. EMB $3000/20%/$5000 - Essentials	$1,023.40	$2,302.65	$3,070.20	$1,790.95	$131,506.90

An Independent Licensee of the Blue Cross Blue Shield Association

Premera Preferred Choice - HP H.S.A. EMB $4000/20%/$6000	$974.33	$2,192.24	$2,922.99	$1,705.08	$125,201.40
Premera Preferred Choice - HP H.S.A. EMB $4000/20%/$6000 - Essentials	$962.06	$2,164.64	$2,886.18	$1,683.60	$123,624.72
Premera Preferred Choice - HP H.S.A. EMB $5000/20%/$6550	$925.26	$2,081.84	$2,775.78	$1,619.20	$118,895.92
Premera Preferred Choice - HP H.S.A. EMB $5000/20%/$6550 - Essentials	$914.36	$2,057.31	$2,743.08	$1,600.13	$117,495.26
Premera Preferred Choice - HP H.S.A. EMB $6000/20%/$6550	$892.55	$2,008.24	$2,677.65	$1,561.96	$114,692.68
Premera Preferred Choice - HP H.S.A. EMB $6000/20%/$6550 - Essentials	$881.65	$1,983.71	$2,644.95	$1,542.89	$113,292.02
Premera Preferred Choice - HP H.S.A. EMB $6500/0%/$6500	$906.18	$2,038.90	$2,718.54	$1,585.82	$116,444.12
Premera Preferred Choice - HP H.S.A. EMB $6500/0%/$6500 - Essentials	$895.28	$2,014.38	$2,685.84	$1,566.74	$115,043.48

AK Heritage Select Plans

Premera Preferred Choice - HS $1000/20%/$4500	$1,237.56	$2,784.51	$3,712.68	$2,165.73	$159,026.46
Premera Preferred Choice - HS $3000/20%/$6000	$1,061.32	$2,387.97	$3,183.96	$1,857.31	$136,379.62
Premera Preferred Choice - HS $6000/30%/$7350	$904.31	$2,034.70	$2,712.93	$1,582.54	$116,203.84
Premera Preferred Choice - HS H.S.A. EMB $4000/20%/$6000	$1,131.83	$2,546.62	$3,395.49	$1,980.70	$145,440.16

Pharmacy Plans

Premera Preferred Choice - Rx $150-$15/$60/$100/50% - Essentials	$89.41	$201.17	$268.23	$156.47	$11,489.18
Premera Preferred Choice - Rx $10/$25/$45/30% - Essentials	$111.79	$251.53	$335.37	$195.63	$14,365.02
Premera Preferred Choice - Rx $15/$30/$50/30% - Essentials	$105.72	$237.87	$317.16	$185.01	$13,585.02
Premera Preferred Choice - Rx $10/$30/$30/30%	$138.10	$310.72	$414.30	$241.68	$17,745.84

Premera Preferred Choice - Rx $10/$30/$50	$139.14	$313.06	$417.42	$243.50	$17,879.48
Premera Preferred Choice - Rx $15/$30/$50/30%	$130.39	$293.38	$391.17	$228.18	$16,755.12
Premera Preferred Choice - Rx $150-$15/$30/$50/30%	$122.89	$276.50	$368.67	$215.06	$15,791.36
Premera Preferred Choice - Rx $20/$40/$60	$123.72	$278.37	$371.16	$216.51	$15,898.02
Premera Preferred Choice - Rx $20/$50/50%/30%	$120.81	$271.82	$362.43	$211.42	$15,524.08

Preferred Choice Rate Exhibit for City of Palmer

	Monthly Rates Effective: 04/01/2020				
	EE	ES	ESC	EC	Total Monthly Premium
Dental Census	21	9	25	7	62
Dental Plans					
Premera Preferred Choice - Dental Optima 1000	$44.35	$95.35	$146.36	$97.57	$6,131.49
Premera Preferred Choice - Dental Optima 1500	$48.70	$104.70	$160.71	$107.14	$6,732.73
Premera Preferred Choice - Dental Optima 1500 (Voluntary)	$53.61	$115.26	$176.91	$117.94	$7,411.48
Premera Preferred Choice - Dental Optima 1500 Enhanced	$51.14	$109.95	$168.76	$112.51	$7,070.06
Premera Preferred Choice - Dental Optima 1500 Enhanced + Ortho	$52.41	$112.49	$184.00	$126.48	$7,598.38
Premera Preferred Choice - Dental Optima 20% 1000	$40.93	$88.00	$135.07	$90.05	$5,658.63
Premera Preferred Choice - Dental Optima 2000 Enhanced	$53.11	$114.19	$175.26	$116.84	$7,342.40
Premera Preferred Choice - Dental Optima 2000 Enhanced + Ortho	$54.38	$116.73	$190.50	$130.81	$7,870.72

ABOUT THESE PLANS
Selecting benefit options for your employee health plan has never been easier. Premera Preferred Choice features our most cost-effective plans, automated implementation, and efficient claims processing. Plus, the integrated medical, optional dental and vision plans, offer one plan experience that meets the needs of your employees and their dependents — and for business and your budget. Choose one medical and pharmacy plan, or select a few for your employees to choose from.

PREMERA | BLUE CROSS BLUE SHIELD OF ALASKA

Group Name: City of Palmer - AK Merit LG 4/1/20- 1

Prospect

Funding Arrangement: Fully Insured/Non Refunding

Proposal Quote Assumptions

1. The quote is valid for 60 days from the date of issue after which, the quote will expire with rates no longer valid. Subsequent quote requests following the expiration date may require additional data.
2. Refer to the rate exhibit for the proposed effective date and length of contract. The group must provide us written notice of acceptance of this proposal and return a completed application no later than 45 days prior to the proposed effective date.
3. We will be contracting with one legal entity, with which all eligible employees have a true employer/employee relationship. Documentation substantiating this relationship may be required. The entity is required to be based in, or have a clearly defined division in, the state of contract issue.
4. This quote is based on a Fully Insured Non-Refunding funding arrangement.
5. Our standard policy provisions apply and supersede any prior carrier's provisions or plans of benefits.
6. For commission level, refer to the Rate Exhibit.
7. Groups may choose up to two benefit options. When a group offers multiple benefit plan options, those options must be offered to all employees unless employees are differentiated by distinct classification (i.e. hourly vs salary). A deductible spread in excess of $3,000 may result in a change to the quoted rates. Select plans may not coexist with Plus plans. Please contact your Account Manager for more details.
8. Proposed rates and benefits are based on the information received at the time of proposal. Final rates and benefits for new groups are based on actual enrollment. For renewing groups proposed rates and benefits will be final except for substantial changes in group structure and/or composition.
9. Full-time employees, their dependents, and COBRA participants are eligible for enrollment under the quoted plan. This includes any employees on an approved sick leave or on an approved leave of absence granted by the employer, during which leave subscription charges continue to be paid. The leave of absence period will count toward the maximum COBRA continuation period, except as prohibited by the Family and Medical Leave Act of 1993 (Public Law 103-3). Employees must be reported on the group's regular payroll system, appearing on their quarterly report of wages filed with the state. Commissioned salespeople and independent contractors, whose earnings are reported on IRS Form 1099, are not considered eligible employees. "Full- time" means an employee who regularly works a minimum of 20 hours per week at their employer's place of business. If an employer uses a look-back period to determine a person works full-time (at least 20 hours per week), or makes an estimate that a person will be full-time (at least 20 hours per week) at the beginning of employment, then that person is eligible regardless of actual hours worked until the next determination is made. "Dependents" include a domestic partner, either same or opposite gender, and may include dependents of a domestic partner. Employees must be reported on the group's payroll system and appear on the group's Alaska Quarterly Contribution Report (form 1004-3a) filed with the State of Alaska.
10. The coverage effective date for new hires will be the first of the month coinciding with or following satisfaction of the designated probationary period.
11. All claims incurred prior to the effective date will be the liability of the prior carrier.
12. In cases where the group offers both medical and dental benefits, all rates assume that uncommon enrollment applies. Uncommon enrollment means the employee and the dependents can enroll in the medical plan only, the dental plan only or both plans. However, dependents are only allowed to enroll in plans that the employee is enrolled in.
13. When both spouses/domestic partners of the same family are employed by the same employer and meet the definition of an eligible employee, one spouse/domestic partner may waive coverage by completing a waiver of coverage form and be covered as the dependent of the other spouse/domestic partner.

14 Medical rates assume the employer minimum contribution is 75% for employees or 50% toward the total cost of the program for all rate tiers. Medical rates also assume the minimum participation is 75% for employees and 25% for dependents. Employees or dependents with other verifiable group coverage, Medicare coverage or Medicaid coverage are considered eligible participation exclusions and do not count against a group's participation requirement. However, if the employer contribution is 100% for the employees or 100% for the dependents, 100% of the employees or dependents must enroll unless prior underwriting approval has been obtained. Please reference the assumed contribution level in the rate exhibit. Any modification to the quoted assumptions above may affect pricing before or during the contract year.

15 Dental rates assume the current medical contribution and participation levels unless otherwise disclosed. Any modification to the quoted assumptions above may affect pricing before or during the contract year.

16 Dependent coverage is available for children through the end of the month of their 26th birthday.

17 Recertification is required on any disabled or handicapped dependent child over the limiting age.

18 If at any time during the contract period the COBRA or retiree enrollment reaches or exceeds 10% of the total enrollment, the rates are subject to underwriting review. All eligible retiree and COBRA subscribers must be disclosed at the time the quote is requested.

19 All rates assume retirees are not covered under the plan.

20 Our standard benefit and contract provisions apply.

21 Dual choice is not available on dental products.

22 Dental proposals assume the following:
- Freestanding dental can be offered to groups with the greater of 5 enrolled employees or 50% of the eligible employees enrolled
- Orthodontia is available as a rider to dental for groups with 26 or more enrolled employees. A 12 month waiting period applies to the orthodontia benefit when the group has not had prior orthodontia benefits
- Dental rates assume common enrollment
- Participation for groups of 5+ covered employees require the greater of 5 employees enrolled on dental, or 50% of all eligible employees, and 0% of dependents if dependent coverage is selected by the employer. The employer contribution requirement is 50% for all group sizes
- Voluntary dental is available. A 12-month waiting period applies to major services

23 No more than 3 billing locations or subdivisions will be established for each group. Additional locations require prior Underwriting approval.

24 The funding arrangement and rates quoted are contingent upon the accuracy and completeness of the information available at the time the quote was released. If at any time prior to the proposed effective date (see quote assumption # 1) either the group or the agent learns of any information that could materially affect the overall group risk, it must be immediately disclosed to us. In such circumstances, we reserve the right to review and adjust our quoted rates, fees and/or contract terms, and/or withdraw the quote entirely.

25 New group enrollment guidelines. Completed enrollment materials need to be received in our office by the 20th of the month prior to the effective date. If the completed materials are not received by the 20th, the effective date will be delayed until the first of the following month. Completed enrollment materials are defined as follows:
- Group Master Application
- Final Rates issued by Premera Blue Cross Blue Shield of Alaska and accepted by the group with Circle Sign & Date
- Enrollment spreadsheet
- Personal Funding Account Materials

26 All employees waiving coverage may need to include a signed Waiver form at enrollment. If waiving due to other coverage, a copy of their current carrier ID card needs to be included.

27 All groups requesting to waive the probationary period on key employees will need to certify that the employee is in fact a key employee by signing a Key Employee Affidavit form.

28 We reserve the right to re-rate or rescind this proposal if any of the assumptions prove false or contradictory.

29 All rates assume that none of the deductible, coinsurance, or copayments are self-insured by the group.

30 Enrollment of a group that does not comply with one or more requirements in this document shall not be construed as a waiver of our rights under the remaining requirements listed in this document.

31 Monthly contractual rates are due on or before the first day of each month of coverage. A 10-day grace period is allowed for payment of the monthly contractual rates. Persistent delinquency may be grounds for termination of the group's contract.

32 Benefit details of proposed medical plans are outlined in the proposal package. Benefits not specifically detailed are excluded. Beginning 1/1/18 Alaska groups may choose a Premera Preferred Choice plan offering outside the Premera Preferred Choice plan but they will not achieve the efficiency discount.

33. Medicare Coordination of Benefits will apply.

34. Like all Blue Cross and/or Blue Shield Licensees, we participate in a program called "BlueCard." Whenever enrollees access health care services outside their program's service area, the claim for those services may be processed through BlueCard and presented to us for payment. Blue Cross/Blue Shield Licensees outside the service area may charge certain fees, which we pass on to you. Some of these fees and compensation are charged each time a claim is processed through BlueCard. Examples of these are access fees (see below), administrative expense allowance fees, Central Financial Agency Fees, and ITS Transaction Fees. Also, some of these claim-based fees, such as the access fee and the administrative expense allowance fee, may be passed on to you as an additional claim liability. Blue Cross and/or Blue Shield Licensees may charge us a fee (referred to as an access fee) for making their discounted rates and the resulting savings available on claims incurred by our enrollees. Continued...

35. For 2019, groups under 1,000 enrolled employees/contracts the access fee is 4.14%, groups 1,000 to 9,999 enrolled employees/contracts the access fee is 2.31% and groups 10,000 to 49,999 enrolled employees/contracts the access fee is 2.14% of the local Licensee's discount/differential savings, but may not exceed $2,000 per claim. For 2020, groups under 1,000 enrolled employees/contracts the access fee is 3.97%, groups 1,000 to 9,999 enrolled employees/contracts the access fee is 2.21% and groups 10,000 to 49,999 enrolled employees/contracts the access fee is 2.05% of the local Licensee's discount/differential savings, but may not exceed $2,000 per claim. Continued...

36. Access fees are based on the difference between the actual amount paid and the amount your program would have paid if it had dealt with the out-of-area provider directly. This access fee may be changed from time to time. The access fee may be charged only if that Licensee's arrangement with the provider prohibits billing enrollees for amounts in excess of the discounted rate. However, providers may still bill for deductibles, coinsurance, amounts in excess of stated benefit maximums, and charges for excluded services. In the event a participating provider discount cannot be passed along to the enrollee, no discount or access fee will apply. When we are charged an access fee, we will pass the charge along to you as a claims expense. If we receive an access fee credit, we will give you a claims expense credit. Access fees are considered a claims expense because they represent claims dollars we are unable to avoid paying. Instances may occur in which we do not pay a claim (or pay only a small amount) because the amounts eligible for payment were applied to the deductible and/or coinsurance. If the local Blue Cross/Blue Shield Licensee's arrangement with its providers allows the discounted payment rate to apply when the amount is fully or mostly a patient obligation, we will pay the Licensee's access fee and pass it along to you as a claims expense, even though little or none of the claim was paid.

37. Premera will perform mental health parity testing for cost-sharing on all new groups and renewals upon receipt of confirmation documents. In the event a plan fails the test, changes to the benefits will be required for compliance purposes.

38. Premera will provide ad hoc reports based on readily available information and data upon request and on mutually agreed-upon timelines. Our data analysts will work with you and guide the analytics to help answer your specific questions. Premera strictly complies with all HIPAA regulations for security and privacy. Premera does not share proprietary data. Typically, there is no charge for reasonable ad hoc reports processed through our reporting team. However, unusual complex ad hoc reports, data feeds, and integration of data incur an additional charge. Unusual complex ad hoc reports will incur a fee of $250 per hour.