

# CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2019-0107)

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THIS PROCUREMENT AGREEMENT (“AGREEMENT”) is by and between the City of Franklin, Tennessee (“CITY”), and Willis Towers Watson (“SERVICE PROVIDER”), who mutually agree as follows:

1. CITY issued (a) on January 31, 2019 Purchasing Office Solicitation No. 2019-007, a procurement solicitation for proposals for group employee insurance benefits consulting services, and (b) on February 5, 11, 19 and 26, 2019 Addenda Nos. 1, 2, 3 and 4, respectively, to Purchasing Office Solicitation No. 2019-007 (collectively, “SOLICITATION”).
2. In response to CITY’s SOLICITATION, SERVICE PROVIDER submitted a proposal dated March 4, 2019 (“SUBMITTAL”), a copy of excerpts from which is attached hereto as Attachment No. 1 and hereby incorporated by reference as if fully set forth herein.
3. SERVICE PROVIDER included in SUBMITTAL CITY’s Standard Procurement Terms and Conditions with SERVICE PROVIDER’s contact information inserted (“CITY’S TERMS”), a copy of which is attached hereto as Attachment No. 2 and hereby incorporated by reference as if fully set forth herein.
4. SERVICE PROVIDER has, subsequent to SUBMITTAL, also submitted a Certificate of Insurance (“CERTIFICATE OF INSURANCE”), a copy of which is attached hereto as Attachment No. 3 and hereby incorporated by reference as if fully set forth herein, that meets or exceeds CITY’s Insurance Requirements as specified in SOLICITATION.
5. If and when insurance coverage documented by CERTIFICATE OF INSURANCE referenced above expires before the expiration of the specified term of award, including any extensions thereto, pursuant to this AGREEMENT, then SERVICE PROVIDER shall immediately suspend work or supply and delivery unless and until it provides one or more unexpired replacement certificates of insurance that indicates the new date(s) of insurance coverage expiration and that meets or exceeds CITY’s Insurance Requirements as specified in SOLICITATION.
6. In the event that insurance coverage documented by CERTIFICATE OF INSURANCE referenced above is materially modified or canceled before the expiration of the specified term of award, including any extensions thereto, pursuant to this AGREEMENT, then SERVICE PROVIDER shall, immediately upon learning of any such material modification or cancelation, suspend work or supply and delivery and shall, within three (3) calendar days of such learning, notify CITY of any such material modification or cancelation.
7. SERVICE PROVIDER agrees to impose CITY’s insurance requirements upon any subcontractors it utilizes for this procurement. Except as may be approved and authorized by CITY in advance of any subcontractor commencing work for this award, SERVICE PROVIDER may not subcontract any service component of the award except as is indicated in SUBMITTAL.
8. SERVICE PROVIDER included in SUBMITTAL CITY’s Indemnification Agreement, executed for SERVICE PROVIDER (“INDEMNIFICATION AGREEMENT”), a copy of which is attached hereto as Attachment No. 4 and hereby incorporated by reference as if fully set forth herein.

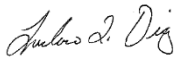
# CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2019-0107)

9. SERVICE PROVIDER included in SUBMITTAL SERVICE PROVIDER's Fee Agreement – Human Capital Accounts. CITY and SERVICE PROVIDER have, subsequent to SUBMITTAL, negotiated a mutually acceptable scope of services and compensation for services to be rendered pursuant to SOLICITATION and SUBMITTAL, all as memorialized in Fee Agreement – Human Capital Accounts (“FEE AGREEMENT”), a copy of which is attached hereto as Attachment No. 5 and hereby incorporated by reference as if fully set forth herein.
10. CITY awarded on May 14, 2019 to SERVICE PROVIDER the purchase of group employee insurance benefits consulting services pursuant to SOLICITATION, SUBMITTAL and FEE AGREEMENT.
11. The term of award shall commence June 1, 2019 (the effective date of this AGREEMENT) and shall expire three (3) years from the effective date of this AGREEMENT. At any time after commencement but before or as soon as practicable after the expiration of this term of award, CITY and SERVICE PROVIDER may, by mutual consent, exercise not more than two (2) options to extend the term of award, each time for up to one (1) additional year, for a maximum possible term of award of five (5) years total, provided: (a) that both parties consent to such an extension at that time; (b) that the decision to exercise such an extension is memorialized in writing and is executed by authorized representatives of each party (in the case of CITY, either CITY's City Administrator or CITY's Purchasing Manager, after consultation with the CITY's Director of Human Resources, is so authorized); (c) that the same terms and conditions that apply to the original term of award shall also apply to such an extension, including pricing; (d) that if SERVICE PROVIDER chooses not to consent to an extension to the term of award, then it shall notify CITY of that decision a minimum of six (6) months in advance of the scheduled expiration of the term of award; and (e) at CITY's discretion, CITY and VENDOR may negotiate an additional extension beyond such expiration. Note that CITY and SERVICE PROVIDER each specifically retain the non-exclusive right, with or without cause, not to extend the term of award.
12. In the event of a conflict between the following documents, the order of precedence shall be as follows: (a) this AGREEMENT; (b) CITY's TERMS; (c) INDEMNIFICATION AGREEMENT; (d) SOLICITATION; and (e) SUBMITTAL.

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

For SERVICE PROVIDER:



(signature of SERVICE PROVIDER's authorized representative)

For CITY:

(signature of CITY's authorized representative)

TITLE: Director

TITLE: City Administrator

Approved as to Form:

Tiffani M. Pope, Staff Attorney

**CITY OF FRANKLIN, TENNESSEE**  
**PROCUREMENT AGREEMENT**  
(City of Franklin Contract No. 2019-0107)

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**Attachment No. 1**

Excerpts from SUBMITTAL

## Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the  
**City of Franklin, Tennessee**

Purchasing Office Solicitation No.: 2019-007

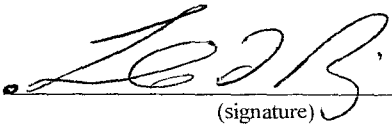
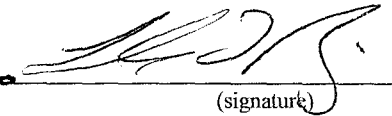
<b>Proposer's name, street address, and mailing address (if different):</b>	Willis Towers Watson 26 Century Blvd Nashville, TN 37214
<b>Proposer's contact person's name (printed), title, telephone number and e-mail address:</b>	Lou Diaz Nashville Brokerage & Advisory Market Leader 615-872-3727 lou.diaz@willistowerswatson.com
<b>Does the proposer take any exceptions to the City's procurement solicitation?</b>	<input type="checkbox"/> Yes, see enclosed. <input checked="" type="checkbox"/> No, proposer takes no exceptions.
<b>Are exceptions, if any, to the City's procurement solicitation listed separately, described, compared to the City's intention as expressed and implied by the City's solicitation documents, and submitted?</b>	<input type="checkbox"/> Yes, see enclosed. <input checked="" type="checkbox"/> No, proposer takes no exceptions.
<b>Total quoted annual fixed flat fee for completing all requirements outlined in the Anticipated Scope of Services:</b>	\$ 56,000
<b>Are the City's preferred payment terms (net 30 days from date of delivery or date of invoice, whichever is later) acceptable to proposer?</b>	<input checked="" type="checkbox"/> Yes. <input type="checkbox"/> No, proposer requests the following payment terms: _____
<b>Last date (no sooner than May 31, 2019) that proposal and associated pricing is valid and may be accepted by the City:</b>	June 1, 2019
<b>Method of payment</b> – The City's default method of payment is by electronic means, either by direct deposit (i.e., "ACH" or "Electronic Funds Transfer"), or by bank credit card, rather than by conventional check. Which electronic payment method would the proposer prefer?	<input checked="" type="checkbox"/> ACH or Electronic Funds Transfer. <input type="checkbox"/> Bank credit card.

# Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the

## City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2019-007

<b>Proposer's name:</b>	Willis Towers Watson
<p><b>Are the following components included with this Proposal Submittal Form in the submittal?</b></p> <ul style="list-style-type: none"> <li>• Detailed proposer-supplied description of proposed product(s) and/or service(s);</li> <li>• Identification, listing and description of any exceptions to the procurement solicitation;</li> <li>• Proposer-supplied contact information for client references required per the Request for Proposals pertaining to this procurement solicitation;</li> <li>• City of Franklin Standard Procurement Terms and Conditions, with the proposer's contact information inserted;</li> <li>• Proposer's proposed agreement or contract, if any, the terms and conditions of which shall be not inconsistent with the City's Standard Procurement Terms and Conditions;</li> <li>• City of Franklin Affidavit of Non-Collusion, executed in full;</li> <li>• City of Franklin Affidavit of Title VI Compliance, executed in full;</li> <li>• if the proposer employs five (5) or more employees, then City of Franklin Affidavit of Drug-Free Workplace, executed in full; and</li> <li>• City of Franklin Notice of Confidentiality &amp; Proprietary Rights, executed for the proposer.</li> </ul>	<p><input checked="" type="checkbox"/> Yes, see enclosed.</p> <p><input type="checkbox"/> No, proposer chooses <u>not</u> to include all of these components (WARNING: doing so may cause the City to deem the proposal non-responsive).</p>
<p><b>Acknowledge any and all issued addenda to this solicitation:</b> (Prior to submitting its proposal, it is the responsibility of each potential proposer to determine whether any addenda to this procurement solicitation have in fact been issued by the City.)</p>	<p><input type="checkbox"/> Addendum No. 1.</p> <p><input type="checkbox"/> Addenda Nos. 1 through <u>4</u></p> <p><input type="checkbox"/> No addenda.</p>
<p><b>Subscription and affirmation of proposer's authorized representative:</b> By submission of this proposal, each proposer and each person signing on behalf of any proposer certifies, and in the case of a joint proposal each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each proposer is not on the list created pursuant to Tennessee Code Annotated § 12-12-106.</p>	 (signature)
<p><b>Signature of proposer's authorized representative:</b> I affirm that I am authorized by the proposer to sign this Proposal Submittal Form as well as any and all companion forms and documents included herewith. I have obtained and read, and do understand and consent, to all instructions, terms and conditions, including those imposed by reference, which apply to this procurement solicitation and compliance with which is required as a condition precedent to consideration of the proposal submitted herewith.</p>	 (signature)
<b>Title of proposer's authorized representative:</b>	Nashville Brokerage & Advisory Market Leader
<b>Date of signatures:</b>	March 4, 2019

March 4, 2019

Brian Wilcox  
City of Franklin  
Purchasing Department  
City Hall, Suite 107  
109 3<sup>rd</sup> Avenue South  
Franklin, TN 37064

Dear Mr. Wilcox:

It is with great pleasure that I submit our Health and Benefits Consulting and Brokerage Proposal for your review. Our goal is to demonstrate to you, in our written and oral presentations, that Willis Towers Watson offers better service and capabilities than any other consulting firm.

Willis Towers Watson has assembled the most experienced and talented professionals in the industry to provide organizations like the City of Franklin the best value in a brokerage and consulting relationship. Unlike our competitors, we have combined the qualities of a true broker with the tools and resources of a pure consulting firm to offer our clients the full array of services they need, when they need them.

Our delivery model allows Willis Towers Watson and our clients to custom design the ideal brokerage and consulting relationship in an affordable manner.

I will act as the point of contact throughout your evaluation process and am available to meet or answer your questions at any time. My team and I are ready to provide you with our national/multinational resources. We look forward to exceeding your expectations!

Sincerely,



Wes Brown  
Senior Director  
Health and Benefits  
Willis Towers Watson

City of Franklin, Tennessee

## **Proposal to Provide Group Employee Insurance Benefits Consulting Services**

March 5, 2019

**Submitted by:**

**Willis Towers Watson**  
26 Century Boulevard  
Nashville, TN 37214

For additional information about this proposal or Willis Towers Watson, please contact:

**Lou Diaz**  
Director, Health & Benefits, Nashville Brokerage & Advisory Market Leader  
+1 615 872 3727  
lou.diaz@willistowerswatson.com

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# Executive Summary

Willis Towers Watson is pleased to present our response to the City of Franklin's RFP to provide health and welfare brokerage services. In this proposal, our goal is to provide a response that is thorough and complies with our understanding of your health and benefit brokerage needs. In addition, we have outlined how we will work with the City of Franklin to achieve your strategic objectives.

This proposal will demonstrate a thoughtful approach specifically aligned to what we believe the City of Franklin will want to accomplish in the short and long term. Willis Towers Watson's carefully constructed team will be your conduit to organizational support that will promote analysis, financial understanding, growth, innovation, and will deliver outcomes that protect and enhance your financial standing and Total Rewards philosophy. Our delivery model will allow your HR and executive leadership the ability to customize your consulting relationship in an efficient manner. The City of Franklin will have the opportunity to serve your entire workforce in a unique and customized way.

The selection of a partner for the strategic direction and ongoing management of your program is an important one. As the benefits landscape continues to evolve, employers need to be thoughtful with respect to the positioning of their health and welfare programs. Critical considerations include the attraction, retention and engagement of key talent, the requirements and opportunities of health care reform, and the effect of health care cost trend on both the organization and its employees.

Willis Towers Watson — and the team we have assembled for the City of Franklin specifically — has worked with employers across the region in manufacturing and all industries to address these and other issues. As such, we have considerable insight into how to be an effective consulting partner and how to exceed our clients' expectations.

## The Willis Towers Watson difference

We feel that Willis Towers Watson is well positioned to work with the City of Franklin. Our unique differentiators include:

- **Our team is experienced:** We have proposed a strong health and benefits consulting team, which includes experts in all aspects of health care consulting. With your proposed Willis Towers Watson team, City of Franklin will have immediate access to world-class consulting and intellectual capital.
- **We have deep municipality expertise:** The municipality industry is one of the various industries to which we consult, and we serve more than 26 municipality clients statewide within our Health and Benefits business alone. We provide end-to-end strategy and health and benefits consulting — a set of services similar to those requested by the City of Franklin — for many of our clients.

- **Our data analytics capabilities:** Willis Towers Watson will provide the City of Franklin with benchmarking, analytical research and data to assist with both the strategic work and the implementation of your ongoing strategy. Our industry-leading tools and technical expertise — including our extensive data, in-depth research and powerful modeling tools — combined with the spectrum of management consulting capabilities within our company, will enable our team to address virtually any issue the City of Franklin might encounter. Willis Towers Watson actuaries provide your team with the facts needed to make informed decisions as they pertain to disease management strategies (e.g., diabetes), population management strategies and more.
- **Our proactive approach:** Your team will constantly be looking for ways to enhance your experience. Our aim is to remove work from our partners' desks, through innovative solutions that will be detailed throughout the proposal. We also look to engage and educate through different communication mediums.
- **Our scale and leverage:** Approximately 2,000 health care consultants in North America and one of the largest clinical and pharmacy resources in our industry, we typically represent a significant percent of major insurance carriers' and national health plans' books of business. We use this leverage to drive the best deals — financial, service and guarantees — for our clients.
- **Our innovation and creativity:** Willis Towers Watson is the industry leader in developing innovative client solutions. In the rapidly evolving health care benefits landscape, the City of Franklin can leverage our creative capabilities to ensure you are taking advantage of the latest strategies and techniques to develop solutions that address your unique needs.
- **Our high-value solutions:** With Willis Towers Watson, the City of Franklin will have access to high-value solutions such as our Rx Collaborative, Stop Loss Collaborative and Group Marketplace offerings, as well as access to our digital health engagement partner, Castlight Health. These solutions can help City of Franklin achieve immediate savings.

## Conclusion

Thank you for your consideration of our proposal. We are excited about the opportunity to partner with the City of Franklin, and we are committed to providing you the highest-quality services. We believe our proposal adequately conveys the depth and breadth of our qualifications to provide you with the requested scope of services.

As you review our proposal, if you believe we have misunderstood your needs, we welcome the opportunity to discuss those discrepancies so that our proposal is on target with your expectations. Should your needs change as you review the proposal responses, please do not hesitate to bring this to our attention — we welcome the conversation and we look forward to discussing next steps with you soon.

## 11.6. Information required to be included in proposal

### 11.6.1. Competency, experience and qualifications:

#### 11.6.1.1. Furnish background information about your firm including your organizational structure (e.g., publicly held corporation, private, non-profit, partnership, etc.) and a brief history.

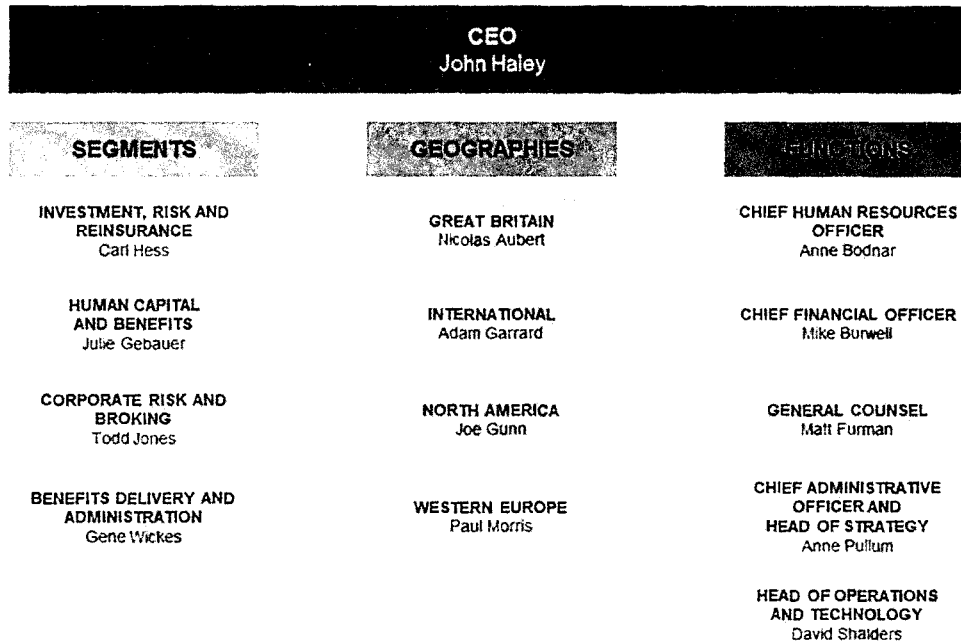
Willis Towers Watson (NASDAQ: WLTW) is a publicly owned, leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has over 40,000 employees in more than 140 countries. We design and deliver solutions that manage risk, optimize benefits, cultivate talent and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance.

We focus on four key business segments:

- Human Capital and Benefits
- Corporate Risk and Broking
- Benefits Delivery and Administration
- Investment, Risk and Reinsurance

## Organizational structure

Willis Towers Watson is a public limited company. The following is an organizational chart reflecting the highest levels at Willis Towers Watson:



## History

Willis Towers Watson has a long history, which can be traced back through our various legacy organizations and mergers. We have deep and rich experience in the actuarial, brokerage and human capital management marketplaces. As a result of our extensive history, we have unique insight regarding where these markets have been, where they are now and where they are headed in the future. We also have established processes and protocols in place to effectively apply our knowledge to assist City of Franklin. Our rich history also provides us with a vast depth of subject matter expertise, which is available to City of Franklin whenever it is needed.

While Willis Towers Watson was formed in 2016 with the merger of Towers Watson and Willis Group, the company's origins date back to 1828.

- **1828:** Henry Willis began his career as a merchant selling imported goods on commission in the U.K. at the Baltic Exchange in London.
- **1841:** Henry Willis applied for membership of Lloyd's, where he started to broker insurance for the cargoes of commodities he sold on commission. As his enterprise grew, he became involved in the hull business, establishing himself in marine insurance and founding Henry Willis & Company.

- **1878:** Reuben Watson formed R. Watson & Sons, the world's oldest actuarial firm, when the Manchester Unity of Oddfellows appointed him actuary the same year. Manchester Unity remains a client today — as do many other of our earliest actuarial and brokerage clients.
- **1934:** Towers, Perrin, Forster & Crosby (renamed Towers Perrin in 1987) was founded. It initially operated a reinsurance and life division, eventually specializing in pensions, reinsurance brokerage and employee benefit plans.
- **1943:** Birchard Wyatt forms the Wyatt Company, an actuarial consulting firm, in Washington, D.C.
- **1995:** R. Watson & Sons and the Wyatt Company forged an alliance, forming Watson Wyatt and consolidating their global resources.
- **2008** — Willis Group acquired HRH, one of the world's largest insurance and risk management intermediaries, which strengthened key practice areas and increased our mid-market and large-account presence.
- **2010:** In a merger of equals, Towers Perrin and Watson Wyatt combined to form Towers Watson.
- **2016:** Willis Group and Towers Watson merge to become Willis Towers Watson.

**11.6.1.2. Confirm that you are able to serve the City of Franklin as an independent contractor, separate from any obligation to, and not an employee or subsidiary of, any one or more insurance companies, third party administrative agencies or provider networks.**

Confirmed. Willis Towers Watson is an independent and objective consulting company that is not affiliated with any insurance company, PBM, third-party or administration agency (other than the captive insurance company that provides our company's own professional liability insurance).

**11.6.1.3. Indicate the presence or absence of any conflict of interest between the firm and/or its key personnel and the City.**

Willis Towers Watson has a conflict of interest policy to which all team members must adhere to and be tested on annually. The consulting team proposed for the City of Franklin has no professional relationships that pose potential conflicts of interest with our obligations to you should we be awarded this contract. Our safeguards for protecting our clients against potential conflicts of interest include:

- **Consultants with vested interests:** In addition to our confidentiality policy, Willis Towers Watson has adopted a professional Code of Business Conduct and Ethics, which every colleague is required to read and sign annually and to follow at all times. Our code specifically addresses conflicts arising from any outside activity of a colleague or family member that might conflict with the work a colleague performs for Willis Towers Watson. Our director of internal audit serves as the compliance officer for the implementation of the code.
- **Serving competing organizations:** Before taking on work, we are vigilant in ensuring no conflicts of interest exist, whether real or perceived. In cases where we provide services to firms that are competitors, we build “firewalls” between consulting teams who work for these clients. We field absolutely separate teams for such clients, even locating them in separate offices when appropriate. With respect to work associated with mergers and acquisitions, we have a formal “conflict check” team that must be notified of any new merger and acquisition business. The team then determines whether there is a conflict of interest that will prevent us from accepting the work.
- **Directing business to industry clients:** Willis Towers Watson maintains our independence from banks, brokerage firms and insurance companies. We have a strict policy pertaining to overrides, and our purchasing coalitions are designed in such a way as to ensure we do not direct business to a particular vendor. Our strict focus on providing consulting services helps ensure we avoid conflicts of interest.
- **Rx Outsourcing:** While we have the largest pharmacy collaborative in the industry, we have demonstrated in our past interactions that we do not let our relationship with this pharmacy collaborative interfere or conflict with our ability to consult to the City of Franklin. We always put our clients’ stated and best interests first. If anything, our intelligence and experience gained from having this market dominance in the large employer pharmacy collaborative arena has only assisted the City of Franklin in gaining insights into managing your own collaborative.
- **Consulting relationships:** Willis Towers Watson has very strong Professional Excellence standards to which we must adhere. That being said, some of your member hospitals may have relationships with other consultants or brokers who may not want to work with us or may view us as a competitor in this engagement. We have demonstrated our willingness to work with competitor brokers/consultants during our tenure together, and we would maintain the same professional interactions to service the City of Franklin in your growth goals. There might be a client or prospect you encounter that doesn’t want to have us engaged.

If we discover any apparent or potential conflict of interest, Willis Towers Watson’s policy is to immediately notify the client of the situation, whether or not it is required by regulation.

**11.6.1.4. Indicate how long your organization has been providing employee benefits consulting services.**

Our deep roots in the industry began in 1934 when Towers, Perrin, Forester & Crosby (renamed Towers Perrin in 1987) was founded, primarily specializing in reinsurance and employee benefits plans. Our Health and Benefits consulting services began in 1950; however, we formally developed the business in 1970 to meet rising demand.

**11.6.1.5. Indicate the number of clients you currently serve in the public sector and the number of public sector clients you have serviced in the last three years.**

Willis Towers Watson provides consulting services to hundreds of public sector organizations, including school districts, counties, cities, and state and federal governments; and not-for-profit institutions in a variety of industries. Locally, we currently service 26 public sector clients in the state of Tennessee. We have deep experience and a strong background working with similar clients. This experience includes consulting on a full gamut of services, including strategy, financial forecasting, underwriting, pharmacy directorship, vendor procurement and management, compliance and audits.

**11.6.1.6. Provide the name(s) of the consultant(s) to perform the work for the City of Franklin and a brief bio for each consultant to provide services to the City. Indicate the degree of availability of each identified individual to provide services.**

Within our Nashville office, we have a staff of 32 Health and Benefits colleagues. All client service teams are carefully assembled with individuals who possess the skillset to address your organization's unique needs.

**Client Relationship Manager | Wes Brown**

The roles of the Client Relationship Manager are to help deliver the Total Rewards message to the employees of the City of Franklin and to have oversight on the WTW Delivery of Services. Wes will also lead the efforts in marketing and communication to the City of Franklin.

**Client Advocate | Todd Harrison**

This experienced professional is your trusted advisor, empowered to deliver all of Willis Towers Watson to your doorstep — and desktop. Todd assembles a team of Willis Towers Watson experts and resources who work continually to assess, mitigate, manage, transfer and, where possible, eliminate your risk.



**Senior Consultant | Matthew Boles**

The Senior Consultant coordinates renewals and placement activities associated with marketing and negotiation. This includes responsibility for bid preparation, RFP response analysis and RFP results presentation. The Senior Consultant is knowledgeable about specific carrier strengths and assists in managing resolutions for escalated issues.

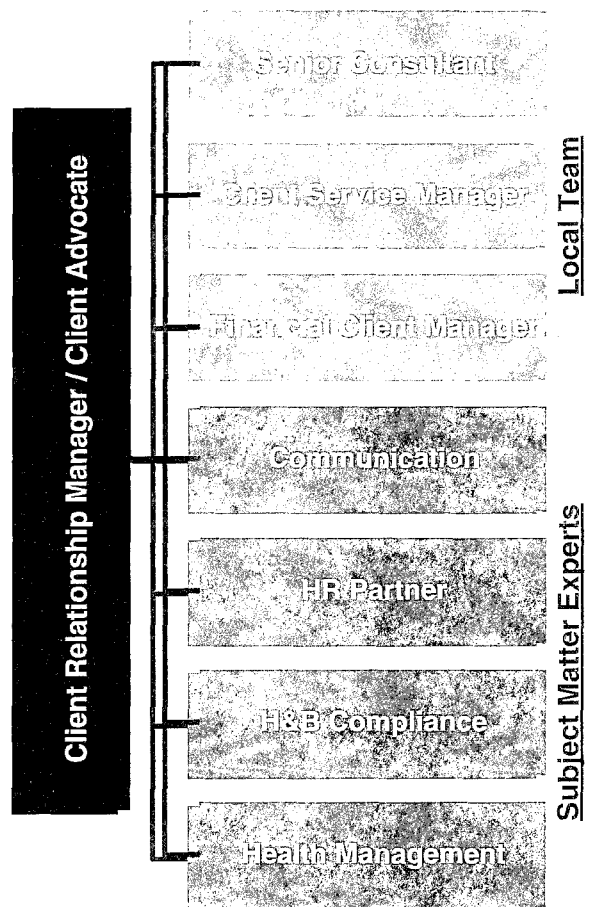
**Client Service Lead Manager | Kelly Derrick**

The Client Service Manager performs day-to-day service and troubleshooting for Willis Towers Watson clients, assisting in coordinating our resources and solutions to best meet the client’s needs. Responsibilities include open enrollment support and managing carrier/vendor processes such as claims resolution.

**Financial Client Manager | Candace Brown**

The Financial Client Manager coordinates and executes the ongoing creation, maintenance and delivery of reporting deliverables for Willis Towers Watson clients. The Financial Client Manager also reviews RFP results, funding arrangements, plan cost variances and utilization anomalies to provide clients with the best practices and options to manage plan costs and utilization.

In addition, we believe it is critical to surround our clients with deep subject matter expertise beyond benefits. Your client service team is supported by subject matter experts in the areas of Communication, HR, Health and Benefits Compliance, Health Management and Health Analytics. We have included complete biographies for each member of your service team in **Appendix A**.



**11.6.1.7. Detail your ability to monitor regulatory and legislative developments at both the state and federal level and how this will be communicated to the City of Franklin.**

You and your Willis Towers Watson team are supported internally by our Health and Benefits Compliance team. This team of attorneys and paralegals are industry thought leaders who participate in several professional organizations at a senior level. They participate in discussions about the most innovative ideas and issues with other professionals throughout the U.S. They have expertise and hands-on experience in ERISA, the Internal Revenue Code and other laws affecting employer-sponsored benefit plans. Our Health and Benefits Compliance team has years of practical experience and in-depth knowledge regarding the application of the laws and regulations that affect employee benefit plans, and it regularly monitors releases from the federal government in order to guide clients. Services for education, compliance-related questions and Compliance Gap Assessments (Benefit Plan Responsibility Map) are assessed by your local team and are provided by the Health and Benefits Compliance team. Health and Benefits Compliance offers a wide range of services and expertise that are included in Willis Towers Watson's fees.

### **Compliance Gap Assessments (Benefit Plan Responsibility Map)**

Understanding your organization's ownership and responsibility of various compliance tasks is key to effective program management and governance. Our Gap Assessment tools cover areas such as group health plan mandates, ERISA, cafeteria plans, HIPAA and COBRA. These assessments help identify any areas that may need to be addressed to support a compliant program.

As legislation changes and interpretations are released from our Health and Benefits Compliance team and your carrier/vendors, your Willis Towers Watson team will address changes relevant to your program with you and discuss any adjustments required (as appropriate) to become or to remain compliant.

### **Employer guides and tools**

Health and Benefits Compliance offers numerous employer guides as shown below, as well as one dedicated to health care reform's coverage mandates:

- Cafeteria plans
- COBRA administration
- Spending accounts
- Group term life benefits
- Select fringe benefits
- HIPAA privacy and security
- Medicare (MSP, Part D and payer reporting)
- USERRA
- ERISA reporting and disclosure

- Annual enrollment toolkit

## 5500 Filing Center

The 5500 Filing Center is within our internal Health and Benefits Compliance team and is responsible for managing health and welfare Form 5500 filings for our clients. Using the most updated software, we provide the Form 5500 with instructions and assist clients through the filing process (100% electronic). Summary annual reports also are produced by the Filing Center for distribution to participants. For new clients that have fallen behind on the 5500 requirements, the Filing Center also will work to file any delinquent Form 5500 via the Delinquent Filer Voluntary Compliance program.

The Filing Center works in conjunction with our Health and Benefits Compliance attorneys to track new developments with the IRS and Department of Labor regarding Form 5500 and filing requirements.

## Healthcare reform

Health and Benefits Compliance leads our focused effort around the Affordable Care Act (ACA), commonly referred to as health care reform. Examples of the consulting expertise and tools developed include employer guides, FAQs, educational webcasts, and Legislative and Regulatory Updates to assist employers with their planning and potential transition to a new plan design under health care reform.

## HIPAA compliance

Compliance with HIPAA privacy, security and breach notification requirements is technical, complex and confusing. Willis Towers Watson often receives requests to assist clients in their compliance efforts, and we have found that different clients need and want different types of assistance. Therefore, we offer a range of options for assisting clients in their efforts to comply with HIPAA privacy, security and breach notification requirements. Any live or customized training will incur an additional fee, but all recorded webcasts and non-customized webcasts are available at no additional charge.

- **Live and recorded webcasts** cover the fundamentals related to HIPAA privacy, security and breach notification and are included in the Willis Towers Watson offering.
- **Customized HIPAA training** for employees within and outside of the HIPAA firewall can be had for an additional charge. This could be performed via a webcast, a live session or a web-based session housed within the employer's intranet.
- **HIPAA privacy and security assessments** and creation of customized policies and procedures are available for an additional fee.

## Plan document services

Compliance with ERISA and the Internal Revenue Code has become more complex and scrutinized by federal agencies. Creating and maintaining accurate and complete plan documents and summary plan descriptions (SPDs) is the responsibility of the plan administrator. Health and Benefits Compliance assists with this compliance requirement by maintaining strategic partnerships with respected national law firms that can draft plan documents and SPDs. When our clients engage in this service, they pay the firms directly, and an attorney-client relationship is formed. The client benefits from preferred pricing through Willis Towers Watson as well as having the support of our paralegals to assist with preliminary information and document delivery. These services help our clients meet compliance obligations with federal ERISA and IRC requirements in a cost-effective manner.

### 11.6.1.8. If you publish newsletters and other informative publications that are routinely provided to your clients, provide sample copies.

With Willis Towers Watson, you get the benefit of our thought leaders across each specialty practice (HR Partner, Communication, Health Management, and Health and Benefits Compliance) working within their respective fields to identify and educate you on emerging and timely issues.

Subject matter experts track and report legislative activity on the federal level, issuing publications as needed to highlight key topics. In the area of state law and the numerous jurisdictions within the states, Health and Benefits Compliance reports on information that may be of interest to the general public and may affect employee benefits on a national level.

Health and Benefits updates and education include:

- **HR Digest:** HR Digest is a monthly email compendium of news, research and analysis important to senior HR executives. It also features relevant news, webcasts and events, monthly survey questions, survey results and product highlights.
- **Legislative and Regulatory Updates:** To cover ongoing compliance activity, Legislative and Regulatory Updates are developed and distributed by our Research and Innovation Center (RIC). RIC is constantly analyzing and interpreting laws and regulations, as well as legislative activity, to bring our clients the most timely and accurate compliance-related communications.
- **Local seminars:** To bring relevant and timely Willis Towers Watson industry knowledge directly to our clients, we host local seminars annually. These events provide education around topics such as employee engagement, compliance, health care reform, effective communication, implementing wellness programs and Total Rewards strategies.


- **Client workshops:** Smaller group sessions allow Willis Towers Watson subject matter experts to provide a deep dive into issues relevant to our clients, such as compensation strategies and compliance review. These events provide a hands-on review of strategies and solutions, as well as Willis Towers Watson tools and resources. Workshops also offer an opportunity for clients to discuss challenges and successes among peers.
- **The HR Trove Diamond Membership:** The HR Trove Diamond Membership is a powerful client tool that complements the daily services of your dedicated City of Franklin service team with around-the-clock access to employer best practices guides, templates, benefits and wellness education, newsletters, posters, and flyers on a variety of topics. These resources help clients streamline everyday work tasks and drive organizational success.

**HR Trove**  
By Willis Towers Watson

Your HR Challenges | Product Types | Free Stuff | About Us | Our Blog


**A Store Designed for HR Pros**  
Advice, tips, tools and products from the HR experts

**Products You Can Trust**




Best-in-class products designed by experts in their field

**Target, Timely, Relevant**



Solving your HR opportunities and challenges

**Ready Right Now**



Most products are just a 'click and download' away

**11.6.1.9. If you conduct seminars, webinars, or provide other educational opportunities for your clients, provide a list and description of the programs offered in the past year.**

We have provided a list of educational programs offered locally for 2017 and 2018, as well as those scheduled for 2019, below.

Year	Educational Opportunities
2017	<ul style="list-style-type: none"> <li>■ <b>January 26, 2017:</b> Modern Approach to Benefits Delivery</li> <li>■ <b>February 28, 2017:</b> Health and Benefits Compliance seminar update with post-election updates — Brentwood, TN</li> <li>■ <b>March 1, 2017:</b> Health and Benefits Compliance seminar update with post-election updates — Chattanooga, TN</li> <li>■ <b>June 7, 2017:</b> The New HR Playbook and Quest to Remain Relevant Roundtables (one for breakfast and one for lunch)</li> <li>■ <b>August 24, 2017:</b> Health and Benefits Compliance Seminar Update on the ACA and Repeal/Replace Effort</li> <li>■ <b>October 17, 2017:</b> Health and Benefits Compliance Bootcamp</li> </ul>
2018	<ul style="list-style-type: none"> <li>■ <b>January 25, 2018:</b> FMLA/ADAA</li> <li>■ <b>April 19, 2018:</b> Health and Benefits Compliance Consumerism Bootcamp</li> <li>■ <b>May 22, 2018:</b> Nashville PCS Health and Benefits Compliance — Willis Tax Reform Invite</li> <li>■ <b>Sept 11, 2018:</b> Delivering an Exceptional Employee Experience</li> </ul>
2019	<ul style="list-style-type: none"> <li>■ <b>January 15, 2019:</b> Talent Retention</li> <li>■ <b>March 12, 2019:</b> FMLA</li> <li>■ <b>April 17, 2019:</b> Cyber Forum</li> <li>■ <b>May 7, 2018:</b> Medicare Roundtable</li> <li>■ <b>October 29, 2019:</b> Harassment Seminar</li> </ul>

**11.6.1.10. Describe the resources your firm has available in the area of developing technical employee benefit communications.**

Willis Towers Watson Communication consultants have expertise in communicating about benefits and wellness during open enrollment or throughout the year. We begin the consulting process by learning about your organization, needs and goals, and by identifying your internal audiences. Then, we collaborate with you to develop a communication plan that aligns with your objectives and includes traditional and electronic media to reach your employees.

**Communication projects typically focus on:**

- Open enrollment
- New-hire enrollment
- Health care consumerism
- Wellness programs
- Targeted benefits education

Our benefit expertise, coupled with our creativity, innovation and technical knowledge, helps educate your employees on how to be more thoughtful health care consumers. We

offer a variety of self-service tools and templates, or we may partner you with a company to assist with the creation of custom materials.

### Communication Gap Assessment

Our team has developed a Gap Assessment to identify any gaps in your communication planning, messaging and implementation. You answer a series of questions, and we deliver a report that outlines best practices and next steps.

### Visual identity development

We can work with you to develop a visual identity for your benefit or wellness program that aligns with your brand and organizational culture. This provides a consistent visual presentation so employees can easily identify important plan communications.

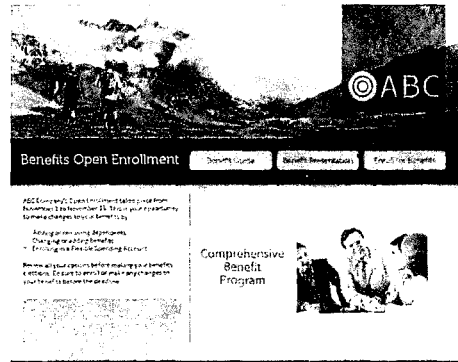
### Creative solutions

Our consultants create compelling communication plans to fit your goals, budget and timing. A typical open enrollment or education campaign might include:

- Benefit guides
- Posters/flyers
- Postcards
- Brainshark
- Videos (custom or off-the-shelf)
- Online flip books
- Emails

### Essentials

Essentials is a powerful client web portal that complements the daily services of your dedicated County service team with around-the-clock access to employer best practices guides, templates, benefits and wellness education, newsletters, posters, and flyers on a variety of topics. These resources help clients streamline everyday work tasks and drive organizational success.



### Multimedia communication materials

Our Communication consultants can work with you to choose the right media to reach your employee audience. This may include videos or video postcards, mobile wallet cards, print and/or online materials, audio/visual presentations, text messaging or promotional items. Additional fees may apply for some of these materials.

### Translation services

Willis Towers Watson has relationships with vendors who use native speakers for translation to ensure your message is accurately presented.

### Tailored Bundled solution

Our enrollment bundles provide a streamlined approach to employee communication. This approach offers efficient development of engaging enrollment materials by tailoring templates with best-practice content and design with your company’s logo, colors and benefit details.

Each bundle leverages Willis Towers Watson’s communication and benefit expertise to save you time and resources.

Tailored Bundle	Tailored+ Bundle
<ul style="list-style-type: none"> <li>■ Communication release timeline</li> <li>■ Benefit guide (up to 16 pages) with online flip book</li> <li>■ Mobile wallet card</li> <li>■ Two video library selections</li> </ul>	<ul style="list-style-type: none"> <li>■ Communication planning guide</li> <li>■ Benefit guide (up to 16 pages) with online flip book</li> <li>■ Four of the following items:                             <ul style="list-style-type: none"> <li>■ Up to four email messages</li> <li>■ Two video library selections</li> <li>■ Poster</li> <li>■ Postcard</li> <li>■ Table tent</li> <li>■ Mobile wallet card</li> <li>■ Traditional wallet card</li> </ul> </li> </ul>

Additional materials may be added to either bundle solution and priced based on scope.

**11.6.1.11. Provide samples of communication materials developed and prepared by your organization for use in client’s health benefit communication campaign.**

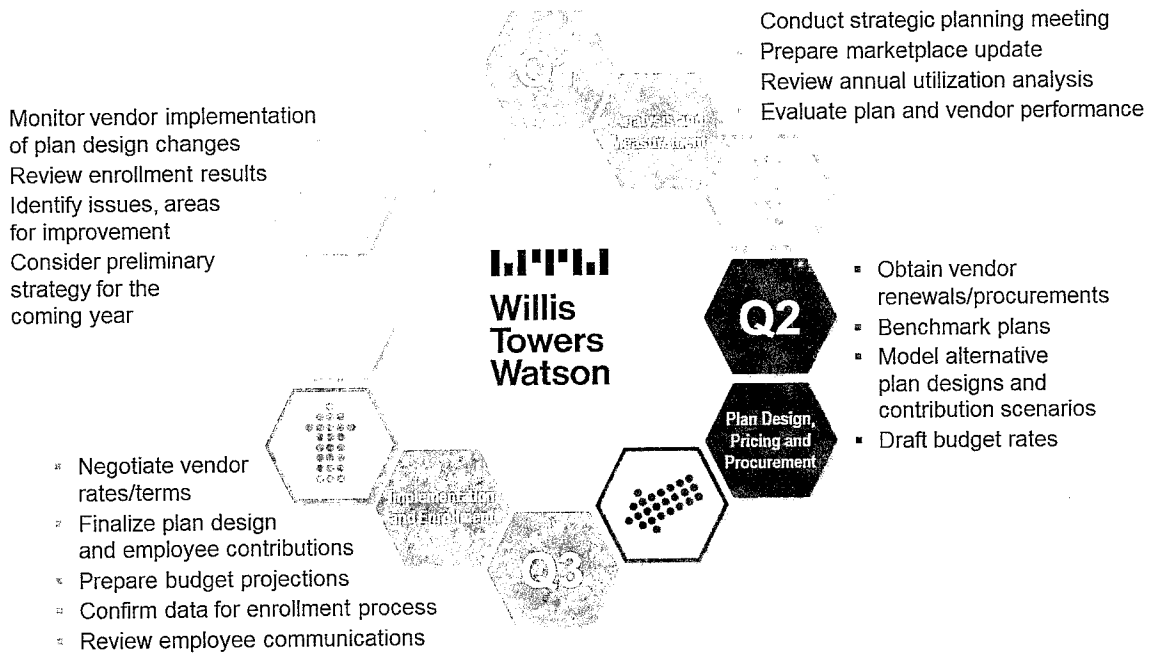
Please see referenced communication samples provided in **Appendix B**.



**11.6.1.12. Outline your firm’s ability to provide expertise and experience in the areas of health benefit plan analysis and design.**

Willis Towers Watson has developed a four-quarter process for ongoing health and benefits plan management. This process focuses on ongoing activities required for effective program operations and integrates recurring management activities with the strategy and administration components of the benefit program performance framework. We will incorporate all of the City of Franklin’s required plan management activities in this quarter-by-quarter framework. During the kickoff meeting for transition, we will review a draft project plan for the year to ensure we are including each necessary plan management activity in the correct quarter for the City of Franklin.

We will assist the City of Franklin with ongoing health and benefit plan management on a quarter-by-quarter, beginning with the quarter after your plan renewal. Please see below.



**Q4: Strategy and Planning**

Willis Towers Watson and the City of Franklin will complete the plan management year with a review of overall performance to date and specific project results, as well as any “hot topics,” legislative updates or trends that might affect ongoing projects. Over the next few years, we expect regulatory changes will be driving a lot of change in the health care market, and Willis Towers Watson will help the City of Franklin strategically plan for these changes each year. During the planning phase we may also:

- Review program goals

- Identify priorities and map key objectives in a calendar for the upcoming year
- Update financial monitoring and analysis based on the template developed in year one
- Provide details on project teams, deliverables, and budgets
- Attend vendor utilization meetings
- Facilitate a meeting with our thought leadership team

### **Q1: Analysis and Measurement**

Building on the observations and opportunities previously identified, we will assess your program performance against objectives and expected results and identify areas for improvement or refinement. In this critical phase, we:

- Evaluate performance from a broad, strategic perspective and on a program-specific basis
- Provide information necessary for second quarter plan design, renewal, pricing and procurement projects
- Update financial monitoring and analysis based on the template developed in year one

### **Q2: Implementation and Pricing**

Here we begin the implementation process, building on information and outcomes from the analysis and measurement activities. We may also:

- Leverage our industry expertise to review design alternatives and benchmark against appropriate general and available national and local industry groups and/or organizations selected by the City of Franklin
- Review contribution strategies
- Solicit renewal information from your plans and, if necessary, request competitive proposals
- Review renewal information, assess the reasonableness of rates and fees and negotiate the most competitive arrangements
- Update financial monitoring and analysis based on the template developed in year one

### **Q3: Enrollment and Contracting**

This is the delivery phase, which includes the implementation, communication, enrollment and ongoing administration of your health and welfare benefits. We will use our full range of processes and tools to:

- Assist with implementation with insurance carriers, administrators and other benefit vendors
- Finalize the fine points of plan design and contracts
- Ensure all data are complete, including final rate information and employee contribution information
- Deliver final carrier, rate and employee contribution information to the plan administrator
- Update financial monitoring and analysis based on the template developed in year one
- Review and consult on communication strategies and materials to ensure they accurately reflect the program and reinforce your objectives

Throughout the four-quarter planning process, your Willis Towers Watson team will use our standard tools, resources and publications to support pricing strategy, ongoing plan management pricing and underwriting processes as described throughout our proposal.

#### **11.6.1.13. Outline your firm's ability to provide expertise and experience in the area of wellness program design.**

By every measure, employer health care costs are on the rise and pose a significant threat to overall business competitiveness.

Health care costs are growing for several reasons, some manageable and some not. Despite the reasons, there are many ways for employers to mitigate increasing health care costs. Through the integration of health management practices such as value-based benefit design, health and safety policies, and population-specific programs to promote prevention and risk avoidance, organizations can be proactive in addressing the health and productivity of their workforce.

#### **Subject matter expertise**

Our Health Management consultants focus on changing health behaviors, improving access to care and targeting identified risks in your population.

Health Management consultants start with the recognition that every organization is unique, and the right health management solutions should consider a number of factors, including an organization's demographics, geographic distribution of the workforce, plan design, organization culture, business goals, industry marketplace and the strategy currently in place.

We start by understanding an organization's priorities around reducing health risks, lowering medical costs and improving workforce productivity.

## The Health Management process

To determine strategic priorities and specific solution sets to meet an organization's needs; our process involves the following steps:

- **Discovery:** Understand your organization, your data and your business priorities
- **Strategy:** Create a multiyear strategic road map to chart out your business goals
- **Action:** Develop an operating plan with measurable goals and objectives
- **Evaluation:** Review program performance and employer data sets

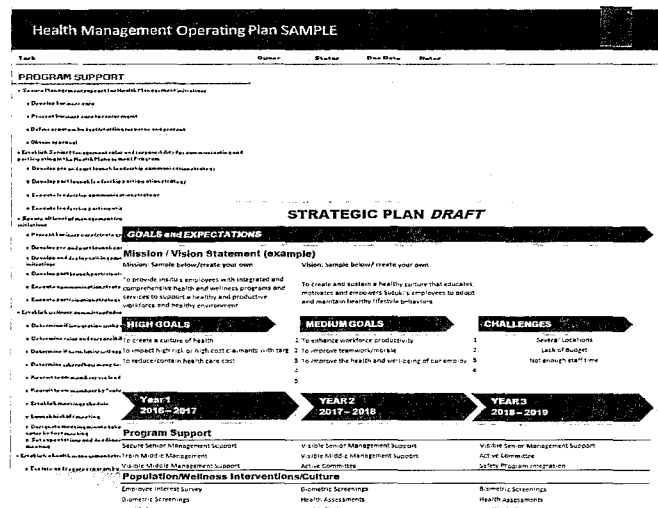
### Gap Assessment

Our process starts with the **Health Management Gap Assessment**. The Gap Assessment is helpful in uncovering areas for improvement within your programs and practices. This provides our Health Management consultants a better view of your organization, regardless of whether you have a long-standing program or are just getting started. Through this process, we learn about your organization's culture, leadership, and current practices and programs. Once we identify opportunities, we address program design. Based on assessment findings, we may evaluate the marketplace for appropriate solutions aligned to your business needs and budget. For clients with a limited budget, we will review best practices and recommendations for creating a grassroots program using the tools and resources created by the carrier or our Health Management consultants. We then collaborate with your client service team to review Willis Towers Watson and vendor reporting, and facilitate a program evaluation. The assessment also provides a reference point for annual program review.

In the final stage of the Gap Assessment, our Health Management consultants facilitate a detailed discussion about your organization's programs and policies. We review current vendors and solutions, satisfaction, results, incentives and incentive criteria. The result is a road map with key priorities for change that guides your organization's health management program to ensure it is aligned to meet future business goals and performance objectives.

### Building a strategic plan

Drawing from leading industry and marketplace solutions, the Willis Towers Watson Health Management consultant will craft a multiyear timeline for your organization that includes workplace wellness programs, incentive design, employer culture



of health best practices, detailed knowledge of carrier capabilities, disease management solutions, patient advocacy, onsite health solutions, telemedicine considerations, medical cost transparency solutions and personalized medical consultations capabilities.

The strategic road map pairs industry best practices with your organization, based on your resources, business concerns, budget, cultural preferences and how quickly your organization would like to launch a program.

Putting the strategic plan into action requires key steps required for success. Willis Towers Watson Health Management consultants provide a detailed operating plan that maps out how each component will be implemented.

### **Willis Towers Watson tools and resources**

This process also includes helpful Willis Towers Watson tools and resources to assist with implementation such as:

- Securing leadership support
- Creating program strategy and objectives
- Establishing a wellness committee
- Complying with current wellness regulations
- Toolkit guidance on key program components
- Employee health and wellness newsletter materials featuring various topics

### **Selecting a third-party vendor**

The City of Franklin may consider a third-party vendor to assist with their health management goals. Where possible, Willis Towers Watson can work with your carrier to negotiate subsidization for these programs. We maintain an up-to-date knowledge base of health management and wellness vendors, and we can help you identify a third-party vendor based on capabilities, pricing, organization size, philosophies, geography and program components.

### ***Evaluation***

Finally, our consultative process includes regular evaluation of a client's health management program. Recognizing that things change over time in employer organizations, the Willis Towers Watson team will monitor:

- Your organization's progress based on our health management operating plan
- Changes in your organization over the past year
- Senior management perspectives on your health management program
- Carrier performance in key areas (i.e., disease management participation)
- Carrier reporting
- Third-party vendor performance and reporting
- Employer program participation rates
- Outcomes measurements
- Employee perspectives, attitudes and behaviors
- Reevaluation of strategies annually
- Plan utilization reporting for self-funded clients
- WillisMed Health Outcomes Report (utilization and clinical reporting)

**11.6.1.14. List three (3) current clients for whom you provide services closely resembling the services being requested, and three (3) former clients for such services, that the City of Franklin may contact as references and who can independently evaluate the proposer's expertise in the area. For each client, describe the work performed by the firm, indicate similarities and differences of the client with the City of Franklin, and note the period of time the firm was or has been retained as a client. For each client, include the name, title, street address, current e-mail address, and current telephone number of the person best informed and qualified to speak about the project that the City of Franklin may contact as a reference for that client. If the City of Franklin is a current or past client of the proposer for similar services, then list the City of Franklin in addition to the list of other client references.**

Our client teams are customized to fulfill our client's objectives. The team members selected for City of Franklin were chosen due to their relevant experience and depth of knowledge. We have included client references that are familiar with the City of Franklin team.

National Federation of Independent Business	
# of employees	Approx. 500
Length of services	of 10+ years
Description of services	Health & Benefits Consulting
Contact name	Janet Connor
Contact title	Vice President of Human Resources
Contact phone	615-872-5889
Contact email	Janet.connor@nfib.org

American Health Partners	
# of employees	Approx. 3000
Length of service	2+ years
Description of services	Health and Benefits Consulting
Contact name	Jonathan Cooper
Contact title	Senior Vice President of Human Resources
Contact phone	214-995-3456
Contact email	jcooper@amhealthpartners.com

Diversicare	
# of employees	Approx. 3000
Length of service	6+ years
Description of services	Health and Benefits Consulting
Contact name	Jay McKnight
Contact title	CEO
Contact phone	615-483-1591
Contact email	jay.mcknight@dvcr.com

Diversicare	
# of employees	Approx. 3000
Length of service	6+ years
Description of services	Health and Benefits Consulting
Contact name	Jay McKnight
Contact title	CEO
Contact phone	615-483-1591
Contact email	jay.mcknight@dvcr.com

- 11.6.1.15. Attach as an appendix a sample employee insurance renewal proposal report of your recommendations prepared for a client of similar size. You may de-identify the client and exclude information deemed proprietary to the client.

Please see renewal proposal report in **Appendix C**

**11.6.1.16. Indicate the ability of the firm to meet the City's insurance requirements (see below).**

Based on the requirements listed in section 11.7, we see no issues or concerns meeting the City's insurance requirements.

**11.6.2. Unique strengths of the proposer/proposal****11.6.2.1. Describe your firm's philosophy in the approach to benefits consulting.**

Our client-focused consulting philosophy is rooted in our belief that we become an extension of your team. Our consulting style is collaborative — we consult with clients, not at them. By engaging with you in this type of relationship, we can continually optimize the plan strategy and design to ensure you are meeting your budget, business and HR goals. Willis Towers Watson takes client satisfaction with respect to our services very seriously. We developed a number of tools and processes to put this value into action. All are designed to ensure our services are delivered in a way that meets your needs and are aligned with your objectives and preferences. The cornerstone of our approach is our ClientFirst process. With ClientFirst:

- We work with you to set the goals and define your expectations at the earliest stages of our relationship, and then refine them as the relationship evolves
- We measure our performance against your expectations on a regular basis using continual dialogue
- We determine an action plan to address any issues that arise for ongoing improvement
- We commit to a no surprises, transparent relationship with you

We pride ourselves on proactive service and responsiveness. Our internal standard is to return client calls within 24 hours; however, calls are typically returned the same day. Your primary contacts are supported by additional members and leadership within the Willis Towers Watson team and a list of all applicable contacts will be provided to you for reference.

**11.6.2.2. Describe the exceptional, value-added features of your proposal.**

Willis Towers Watson believes in delivering an all-encompassing model to our clients. We feel our value added features differentiate us in the marketplace. These include, but are not limited to our listed resources and subject matter experts in the fields of Human Resources, Legal and Compliance, Health Management, and Communications.



**11.6.2.3. Describe your firm's most noteworthy qualifications for providing the required services to the City of Franklin. Specifically highlight those qualifications that distinguish you from your competitors.**

Several factors differentiate Willis Towers Watson and make us uniquely qualified to provide consulting services to you:

- **Innovation and thought leadership:** Through our proprietary surveys, we understand the tactics that best performers can take to keep their trend at 2% or less on a consistent, year-over-year basis. Our partnership will ensure you understand how you can achieve the same results. Our Rx Collaborative (if you choose to consider this) routinely saves organizations 4% – 8% on their pharmacy spend. We also offer access to our Custom Care Management Units — which can offer you a 3:1 ROI — our Stop Loss Collaborative and our Benefits Administration Panel. The benefits you will receive from these and other innovations could include lower costs, reduced trend, more purchasing power, transparency and — of equal importance — improved care, greater employee well-being, and an organized process for enhancing health and productivity.
- **A best-in-class team:** The quality of our team is unmatched, composed of experts at the forefront of strategy, design and implementation. We have proven project management expertise and know how to most efficiently and effectively plan the annual calendar cycle of activity. Our experienced, creative consultants aren't afraid to roll up their sleeves to get the job done while exceeding your service expectations. In addition to local resources, we will bring in a variety of regional and national experts.
- **Tools and resources:** The financial and benchmarking tools our consultants will use to assist you are unparalleled. Our consultants conduct trend, utilization and benchmarking analyses to identify plan design opportunities, and we leverage multiple tools to determine the associated pricing impact. Our Health and Benefits team employs 250 credentialed actuaries and actuarial students, along with experts in numerous specialty areas, including wellness and health management.
- **Health and Benefits Compliance group:** Willis Towers Watson employs a centralized staff of experts responsible for supporting our consulting staff regarding the legal and regulatory issues affecting clients' benefit programs. The Health and Benefits Compliance group includes specialists, many of whom have law degrees, who continually monitor legislative and regulatory activity affecting the design, cost and administration of employer plans. They publish more than 250 issue-specific research memos annually, transmitting their analyses electronically to all Willis Towers Watson staff. In addition to keeping our consultants up to date on legal and technical matters, the Health and Benefits Compliance group gets involved in employer-specific issues, helping clients understand, interpret and apply complex elements of the law to their specific situation and employee population.
- **We don't bill hours internally:** This is key — because of our internal cost structure your Health and Benefits team will be able to call on all the resources from our subject matter experts (e.g., reporting and analytics, health management, health and benefits compliance, HR Partner, communications) without any internal conflicts of interest. As salaried resources who also do not bill hours, these experts are available to you as often as needed.

- **Group Marketplace:** A changing health care landscape creates new opportunities. With our combined understanding of regulation and risk, behavioral insight and technology platforms, we create innovative marketplace-based services and solutions that enable people to navigate options with confidence and give employers decision-making peace of mind.
- **HR consulting — HR Partner:** Managing benefits is only one aspect of an HR department's overall responsibility to attract, retain and motivate an engaged and productive workforce. To help our clients face multiple and often competing demands, Willis Towers Watson created HR Partner, a team of HR consultants. This team, unique to Willis Towers Watson, is designed to facilitate your success with solutions that help you define and support your HR strategy, drive employee engagement and maximize your investment in human capital. HR Partner will help you optimize your valuable time and energy.
- **Clear and transparent model:** In collaboration with your team, we will determine the services that fit your needs. We will work with you to agree on the correct scope of service and ensure that this is reflected in a statement of work and service level agreement. Willis Towers Watson guarantees complete transparency in fees and commissions.

### **11.6.3. Thoroughness and quality of proposal:**

#### **11.6.3.1. Provide evidence that you understand the City's needs as described in the Request for Proposals.**

Our written response to the City's RFP will indicate that we understand the City's needs and have carefully considered your goals and objectives.

#### **11.6.3.2. Provide evidence that you have responded thoroughly to the Request for Proposals, including the instructions.**

Willis Towers Watson's submission and response to the City's Request for Proposal will reflect we have thoroughly and thoughtfully addressed the City's requests, including the delivery instructions.

#### **11.6.3.3. Predict the likely outcome from the City's perspective if the City should choose to accept your proposal. Identify and describe the benefits the City would be likely to derive from accepting your proposal, and what measures the respondent would employ to maximize the likelihood of the City achieving those benefits.**

Should the City of Franklin award Willis Towers Watson as its Health and Benefits Consultant, we expect the City to benefit from industry leading intellectual capital and though leadership, deep subject matter expertise, and Client First service delivery. We would begin the process with in depth onboarding and discovery meeting to ensure we are aligning our three year strategy with the City's intended outcomes. This would be

complimented by our annual Client Service Plan to ensure we maximize the WTW resources allocated to the City's Human Resources Department.

**11.6.3.4. Indicate whether the City accepting your proposal would be likely to result in the City achieving its objectives. Explain whether and how the likely outcome predicted by the respondent would advance the City's interests.**

Willis Towers Watson is uniquely qualified to assist the City achieve its objectives through our intrinsic value added service model. Based on our rich history and enviable client retention rate, we feel confident the City would achieve its intended outcomes as listed in this Request for Proposal.

**11.6.4. Methodology and approach; pricing and payment clarity:**

**11.6.4.1. Identify, describe and explain the proposed methodology and approach to achieving the City's desired results and outcomes.**

The Willis Towers Watson approach is multifaceted. It's good to think of it as an all-encompassing solution to your human capital needs. Our unique business model allows us to not only bring financial savings through creative plan analysis, but also an intrinsic value through our services. Should we be selected as your advisor, our team will leverage the four-quarter approach to plan management described in response to question 11.6.1.12.

**11.6.4.2. Explain the proposed fee or schedule of fees, including details of itemized and any unit pricing and any expenses to be passed on to the City, including travel. Clarity to avoid misunderstandings is valuable.**

Our organization is structured to provide access to a wide variety of resources, designed to meet your most pressing business needs as they come up. It is an agile model that allows us to provide what you need when you need it. When we partner with you on a holistic basis, we maximize our value to you, which makes a real difference in your business. We are flexible about how we are paid in terms of commissions versus fees, or a combination of the two.

Willis Towers Watson has reviewed the various forms of compensation that insurance companies pay to brokers, as well as the internal controls available to address conflicts of interest. We have concluded that, with proper internal controls in place, we can accept all forms of insurer compensation, including contingent commission payments. These payments are consistent with current industry practice. We believe that accepting these payments is important to our competitive position. Consequently, we have revised our policies to allow us to consider potential contingent commission arrangements on a case-by-case basis. Our policies, Excellence processes, standard terms and conditions, fee

agreements and terms of business agreements have all been revised to reflect our ability to accept all forms of carrier compensation while providing full transparency to our clients.

We are proposing a fixed annual fee of \$56,000 for the scope of services highlighted below.

<b>Willis Towers Watson Human Capital and Benefits business scope of services</b>	
As your benefits advisor, we work to help you establish a comprehensive strategy for your programs. Once a strategy is determined, we develop a detailed action plan to assist with your needs. Along the way, we continually review performance to ensure your organization's goals are met. While all decisions regarding your benefit programs remain up to you, you can expect Willis Towers Watson to support your organization with the following activities, where appropriate:	
<b>Financial and data analysis</b>	
<input checked="" type="checkbox"/>	Provide a monthly Dashboard Report, to include paid claims by month and plan, a summary of large claims activity, and preliminary renewal projections (provided experience reporting is available from carrier)
<input checked="" type="checkbox"/>	Provide tools to help you assess current funding arrangements for appropriateness
<input checked="" type="checkbox"/>	Provide reporting through <b>Health Outcomes Analysis</b> , which includes detailed information about your population's cost and utilization, to assist in creating solutions for managing and reducing claims costs
<b>Strategy development</b>	
<input checked="" type="checkbox"/>	Facilitate an annual planning session to assist in the creation of a human capital strategy:
	<ul style="list-style-type: none"> <li>■ Assist with identifying strengths, weaknesses, opportunities and threats in your current plan designs</li> <li>■ Evaluate workforce demographics</li> <li>■ Evaluate current programs against specific competitive benchmark data</li> <li>■ Present information on current trends in plan design and market conditions</li> <li>■ Interview members of senior management to gather attitudes about the role of employee benefits in the organization and the current state of benefits programs</li> </ul>
<input checked="" type="checkbox"/>	Provide recommendations for establishing and prioritizing objectives aligned to organizational goals
<input checked="" type="checkbox"/>	Create and deliver a <b>Client Service Plan</b> to reflect agreed projects, to include assigned accountabilities and time frame
<b>Renewal and placement</b>	
<input checked="" type="checkbox"/>	Conduct "Pre-Renewal Strategy Meeting" to determine specific goals, budget and needs to be achieved from renewal negotiations
<input checked="" type="checkbox"/>	Review renewal methodology, experience data, and assumptions against trend analysis for accuracy/logic
<input checked="" type="checkbox"/>	Negotiate renewals with existing incumbent carriers

<b>Willis Towers Watson Human Capital and Benefits business scope of services</b>	
<input checked="" type="checkbox"/>	Develop RFP and market plan coverages as determined during the pre-renewal strategy discussion
<input checked="" type="checkbox"/>	Summarize and analyze each carrier quote. Comparative analysis may include: pricing, terms, conditions, RFP/RFI responses, network access, discount analysis and plan design.
<input checked="" type="checkbox"/>	Evaluate structure and performance of stop loss coverage, recommending alternatives as appropriate for consideration
<input checked="" type="checkbox"/>	Evaluate existing and potential carriers, including their capabilities and support services
<input checked="" type="checkbox"/>	Schedule and facilitate selected carrier and vendor finalist interviews and site visits, as appropriate
<input checked="" type="checkbox"/>	Provide recommendations on vendors best suited to meet plan goals and objectives (the client makes all decisions regarding the vendors they retain)
<input checked="" type="checkbox"/>	Assist in establishing appropriate carrier/vendor performance guarantees with monetary penalties, if requested
<input checked="" type="checkbox"/>	When requested, provide a non-legal review of terms you agree upon with benefits vendors, to help ensure the agreement meets your benefits needs
<b>Implementation and enrollment</b>	
<input checked="" type="checkbox"/>	Review current vendor electronic data transfer process functionality, as appropriate
<input checked="" type="checkbox"/>	Finalize benefit program design and rates, including COBRA and fees (our work is administrative in nature and client retains full decision-making authority and discretion with respect to all plan issues)
<input checked="" type="checkbox"/>	Assist in implementation with multiple organizational departments (HR, IT, Finance, etc.) to ensure timelines are met, systems are set-up correctly, and data transfer is operational
<input checked="" type="checkbox"/>	Provide contribution modeling (employee/employer) based on enrollment and financial targets
<input checked="" type="checkbox"/>	Evaluate current communication strategy and develop an appropriate action plan in accordance to business needs and budget requirements
<input checked="" type="checkbox"/>	Help coordinate vendor-sponsored communication material, as appropriate
<input checked="" type="checkbox"/>	Assist in planning employee open enrollment meetings, including carrier participation
<input checked="" type="checkbox"/>	Assist in the planning and coordination of a health seminar/vendor fair
<input checked="" type="checkbox"/>	Facilitate up to four (4) local enrollment meetings (with > 25 employees) or four (4) webcast enrollment meetings
<input checked="" type="checkbox"/>	Provide train-the-trainer sessions for conducting annual enrollment meetings
<input checked="" type="checkbox"/>	Design and implement a customized web portal ( <b>HR Connect</b> ) to provide your employees with access to employee communications about their benefits and other related information
<input checked="" type="checkbox"/>	Assist in implementation with multiple organizational departments (HR, IT, Finance, etc.) to ensure timelines are met, systems are set up correctly, and data transfer is operational
<input checked="" type="checkbox"/>	Provide contribution modeling (employee/employer) based on enrollment and financial targets
<input checked="" type="checkbox"/>	Evaluate current communication strategy and develop an appropriate action plan in accordance to business needs and budget requirements

<b>Willis Towers Watson Human Capital and Benefits business scope of services</b>	
<b>Account management</b>	
<input checked="" type="checkbox"/>	Provide ongoing service and response to inquiries from HR and the Benefits team, with regards to day-to-day administration of benefit program matters, consultation on policy coverages, etc.
<input checked="" type="checkbox"/>	Facilitate processes related to changes in coverage, including notifying insurers of changes in coverage, obtaining approvals, confirming acceptance of client, etc.
<input checked="" type="checkbox"/>	Provide up-to-date status of all outstanding items and activities
<input checked="" type="checkbox"/>	Act as an employee/employer advocate in the resolution of escalated service and/or claims issues when requested to do so and properly authorized
<input checked="" type="checkbox"/>	Keep the organization informed of trends that may affect their benefit programs
<input checked="" type="checkbox"/>	Organize and facilitate meetings, including carrier reviews, financial reporting and vendor meetings
<input checked="" type="checkbox"/>	Assist you in identifying and monitoring potentially catastrophic claims and work with case management to understand possible impact of large claims on plan performance
<input checked="" type="checkbox"/>	Provide ongoing service and response to inquiries from HR and the Benefits team, with regard to day-to-day administration of benefit program matters, consultation regarding policy coverages, etc.
<input checked="" type="checkbox"/>	Facilitate processes related to changes in coverage, including notifying insurers of changes in coverage, obtaining approvals, confirming acceptance of client, etc.

**11.6.4.3. Indicate when payments would be due, whether they would be tied to milestones, and what those milestones would be.**

Payments from the City can be made monthly, quarterly, or annually. Invoices are payable within 30 days of receipt.

**11.6.4.4. Indicate how frequently fees would be invoiced, when payments would be due, and whether invoices would be for services rendered in arrears (preferred by the City) or in advance (normally not acceptable to the City).**

Unless otherwise agreed, we will submit invoices for the services (in arrears, as preferred by the City) provided and expenses incurred on a monthly basis. Invoices are payable within 30 days of receipt. In the event that invoices are not paid within that time we shall be entitled to charge a late payment fee of the lesser of 1.0% per month or the maximum allowed by law.

**11.6.5. Fee for proposed products and services:**

- 11.6.5.1. Quote an annual total fixed flat fee for completing all requirements outlined in the Anticipated Scope of Services. No commissions will be paid through any product or provider. The City of Franklin will not consider a commission-based proposal for group employee insurance benefits consulting services. The annual total fixed fees shall be inclusive of all expenses and costs, including direct labor, travel-related expenses, indirect costs and profit. The City specifically rejects fees or other charges, including reimbursements, for specific expenses of the vendor.**

As noted, we are proposing a fixed annual fee of \$56,000

# 11.7. Insurance Requirements

Before award of the procurement by the City, the proposer recommended to be awarded the purchase shall provide one or more unexpired certificates of insurance providing evidence of the following minimum types and limits of insurance coverage:

Type of Coverage	Limits of Coverage	Certificate of Insurance
Commercial General Liability	<ul style="list-style-type: none"> <li>\$1,000,000 Each Occurrence</li> <li>\$1,000,000 General Aggregate</li> <li>\$1,000,000 Personal and Advertising Injury</li> <li>\$1,000,000 Products-Completed Operations Aggregate</li> <li>Waiver of Subrogation shall apply</li> </ul>	Certificate of Insurance shall indicate Certificate Holder <sup>1</sup> as Additional Insured with Additional Insured endorsement attached for both Premises/Operations and Products/Completed Operations
Workers Compensation <sup>2</sup>	<ul style="list-style-type: none"> <li>Statutory Limits</li> <li>Waiver of Subrogation shall apply</li> </ul>	Certificate Holder <sup>1</sup> only
Employers Liability <sup>2</sup>	<ul style="list-style-type: none"> <li>\$1,000,000 Bodily Injury Each Accident</li> <li>\$1,000,000 Policy Limit Bodily Injury by Disease</li> <li>\$1,000,000 Each Employee Bodily Injury by</li> </ul>	Certificate Holder <sup>1</sup> only
Employee Dishonesty	\$500,000 Per Occurrence	Certificate Holder <sup>1</sup> only
Professional Liability	\$4,000,000 Combined Single Limit	Certificate Holder <sup>1</sup> only
Cyber	\$1,000,000 Cyber Liability	Certificate Holder <sup>1</sup> only

1 Certificate Holder shall be listed as follows:  
 City of Franklin, TN 37064  
 109 3rd Ave. Franklin South

2 Workers Compensation and Employers Liability coverages are not required for Tennessee employers with fewer than five (5) employees except that employers in the construction business or trades (construction service providers) are required to carry Workers Compensation coverage unless they are sole proprietors or partners with no employees.

If and when insurance coverage documented by the certificate(s) of insurance referenced above expires before the expiration of any specified term of award, including any extensions thereto, or the supply, delivery and acceptance of the ordered products and/or services, pursuant to this procurement solicitation, then the proposer awarded the purchase shall immediately suspend work or supply unless and until it provides one or more unexpired replacement certificates of insurance that indicates the new date(s) of insurance coverage expiration and that meets or exceeds the insurance requirements as specified above.



In the event that insurance coverage documented by the certificate(s) of insurance referenced above is materially modified or canceled before the expiration of any specified term of award, including any extensions thereto, or the supply, delivery and acceptance of the ordered products and/or services, pursuant to this procurement solicitation, then the proposer awarded the purchase shall, immediately upon learning of any such material modification or cancellation, suspend work or supply and shall, within three (3) calendar days of such learning, notify the City of any such material modification or cancellation.

The proposer awarded the purchase shall agree to impose the City's insurance requirements upon any subcontractors it utilizes for this procurement. Use of any subcontractor for this procurement shall have been approved by the City in advance of that subcontractor commencing work for this procurement.

Willis Towers Watson maintains errors and omissions (E&O) coverage at the corporate level. A copy of the corporate E&O certificate of coverage is (available upon request or included in **Appendix D**).

# Appendices

**Appendix A:** Biographies

**Appendix B:** Communication Samples

**Appendix C:** Sample Employee Benefit Plan Renewal Seminars

**Appendix D:** Certificate of E&O Coverage (intentionally omitted from Excerpts from SUBMITTAL)

**Appendix E:** Compliance Academy

## Appendix A: Biographies

### Wes Brown

#### Senior Director, Health and Benefits Practice

##### Experience/Specialization

Wes Brown is a Senior Director in the Health and Benefits Practice at Willis Towers Watson. Wes specializes in the design, delivery, and communication of employee benefit programs for large to mid-size corporations and institutions. He is also involved with the Willis Retail and Hospitality Practice.

Before joining Willis, Wes was a Regional Sales Manager, Vice President of Sales and Development and Director of Agencies with a national insurance carrier in the employee benefits and disability markets. He offers over 28 years of experience in all aspects of medical and ancillary product design, coordination, and implementation

Wes holds a Bachelor of Science degree in Business Administration from The University of Tennessee. He is also an active member of The National Restaurant Association, the National Association of Insurance and Financial Advisors, Middle Tennessee SHRM Association, National SHRM Association and The Nashville Health Council.

### Todd Harrison

#### Director, Health and Benefits Practice

##### Experience/Specialization

Todd is a Senior Vice President in the Southeast Region of Willis Towers Watson's Health Benefits practice. He has worked for 22 years in the employee benefits industry showcasing a diversity of work experience in both carrier and consultant capacities. His knowledge and experience with evaluating and creating benefits plan designs and strategies, as well as identifying ways to mitigate financial risk/exposure, enhance ROI, and determine advantageous funding type arrangements make him a valuable client resource.

Todd began his career as an underwriter with Prudential Healthcare in Atlanta before moving into a development role with that organization becoming top advisors in the Tennessee market. After spending several years on the carrier side, Todd was recruited into a consulting role working with some of the top employers such as Pinnacle Bank, Waffle House, and Nashville Electric Services. He has been recognized by Middle Tennessee SHRM as Top Benefits Advisor and spends many hours volunteering in the community. He received his BA in Business & Economics from LaGrange College.

## **Matt Boles**

### **Director, Health and Benefits Practice**

#### **Experience/Specialization**

Matt Boles is a Director with the Willis Towers Watson HCB Practice in Nashville, TN. Matt specializes in cost mitigation and plan efficiency of employee benefit programs for large and mid-size corporations.

Before joining Willis four years ago, Matt was an employee benefits consultant for a national brokerage firm specializing in complex middle and large market clients. Matt's experience in strategic plan design and multifaceted problem solving brings proven value to his clients.

Matt holds a Bachelor of Science degree in Business Administration from Cumberland University. He is an active member of the Middle Tennessee and Chattanooga SHRM Association, the Nashville Healthcare Council, and The Young Leaders Council.

## **Kelly Derrick**

### **Director, H&B Brokerage & Advisory – Memphis/Nashville Operations Leader**

#### **Experience/Specialization**

Kelly brings eighteen years of client consulting experience to Willis Towers Watson. Currently she is the Operations Leader for the Memphis and Nashville retail offices where she is responsible for overseeing the day to day operations related to each office as well as the training and development of the client service teams.

Kelly is also responsible for three client relationships. Her primary responsibilities include building the overall Health & Welfare strategy, leading the renewal negotiations and overseeing the overall client relationship. In addition, she is instrumental in creating creative plan designs to meet not only the needs, but also the budget of her clients.

Kelly has an extensive health and benefits background including a concentration in group medical, dental, life, and disability. Prior to joining Willis Towers Watson, Kelly was an account manager for Assurant Employee Benefits and Unum where her focus was in the area of group ancillary benefits. Within this role, she worked to implement Life, Short Term and Long Term disability plans for her clients.

Kelly holds a Bachelor's degree in Business Administration from Tennessee Tech University in Cookeville, TN.

## **Candace Brown**

### **Financial Account Executive, Health and Benefits Practice**

#### **Experience/Specialization**

She has more than twelve years of experience in employee benefits analysis and consulting. In her current role, Candace is responsible for supporting clients' financial needs relative to benefit funding, pricing, design and implementation.

Prior to joining Willis Towers Watson, Candace was Senior Manager, Finance and Reporting at Sharecare (formerly Healthways) where she delivered actionable reporting and analytics to drive well-being program engagement, outcomes, operations and strategy for city and state governments. She also held the position of Consulting Manager at Truven Analytics (formerly Thomson Reuters) where she was responsible for setting and executing analytic agendas for Fortune 500 clients.

Candace received a Bachelor of Science in Business Administration and a Master of Science in Statistics from the University of Tennessee – Knoxville.

## **Appendix B: Communication Samples**

- **Sample Benefits Guide**
- **Sample Post Cards (3)**

2019



ABC CORPORATION LOGO

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# Benefits Guide

# Benefit Basics

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As a regular, full-time ABC team member, you are eligible for benefits if you work at least 30 hours per week. Most of your benefits are effective on the first day of the month following 60 days of employment. You may also enroll your eligible dependents for coverage once you become eligible. Your eligible dependents include:

- Your legal spouse
- Your children up to age 26 (includes stepchildren and legally adopted children)
- Your dependent child regardless of age, provided he or she is incapable of self-support due to mental or physical disability, is fully dependent on you for support as indicated on your federal tax return and is approved by your Medical Plan to continue coverage past age 26.

Please note: If you are enrolling for the first time, verification of eligibility will be required before your dependents can be enrolled. You will be required to provide a marriage certificate for a spouse; a birth certificate or adoption decree for dependent children or stepchildren; or a court document to prove legal guardianship.

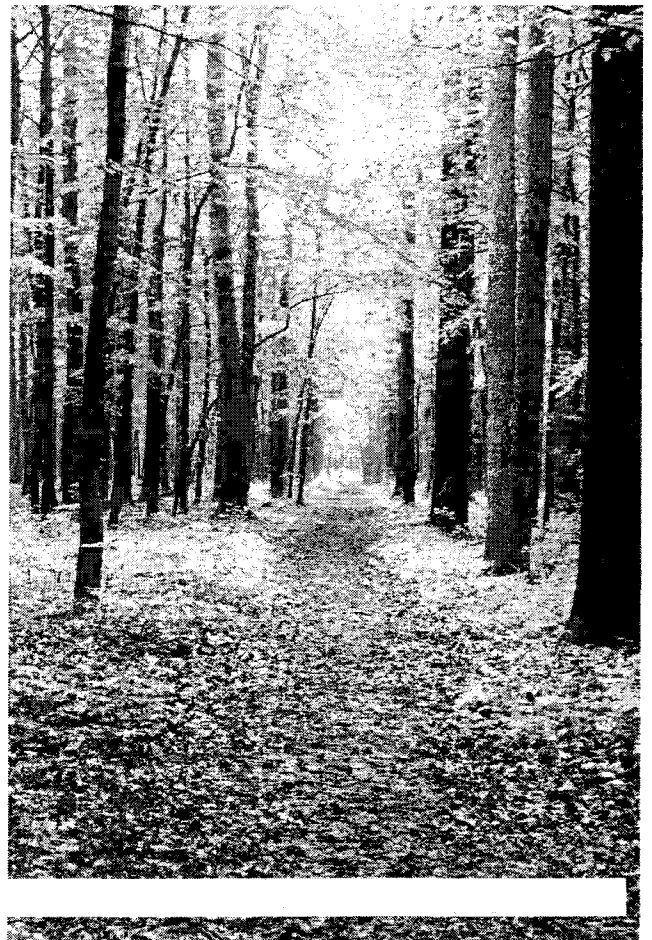
## Qualifying Life Events

Generally, you may only make your benefit elections during the open enrollment window. However, you may change your benefit elections during the year if you experience an event such as:

- Marriage
- Divorce or legal separation
- Birth of your child
- Death of your spouse or dependent child
- Adoption of or placement for adoption of your child
- Change in employment status of employee, spouse or dependent child
- Qualification by the Plan Administrator of a child support order for medical coverage
- New entitlement to Medicare or Medicaid
- Qualification by the Plan Administrator of a child support order for medical coverage
- Annual Enrollment in the Health Insurance Marketplace

**ABC Corporation** offers a comprehensive suite of benefits to promote health and financial security for you and your family. This booklet provides you with a summary of your benefits. Please review it carefully so you can choose the coverage that's right for you.

**You must notify Human Resources within 30 days of a qualifying life event.** Depending on the type of event, you may be asked to provide proof of the event. If you do not contact Human Resources and provide documentation within 30 days of the qualifying event, you will have to wait until the next Annual Open Enrollment period to make changes. Please note that all coverage changes will be effective the date of the qualifying life event.





# Eligibility and Enrollment

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Keep in mind you may select any combination of Medical, Dental and/or Vision Plans and any combination of coverage categories. For example, you could select Medical coverage for you and your entire family, but select Dental and Vision coverage only for yourself. The only requirement is that you, as the eligible team member of ABC, must elect coverage for yourself in order to elect dependent coverage. You have the option to select coverage from the following categories:

- Team Member Only
- Team Member + Spouse
- Team Member + Child(ren)
- Team Member + Family

**Married team members:** If you and your spouse were both hired on or after January 1, 2016, you only have the option to enroll in Team Member + Spouse or Team Member + Family coverage.

Be sure to have the Social Security numbers and birth dates for any eligible spouse and/or dependent(s) that you plan to enroll. You cannot enroll your spouse and/or dependent(s) without this information. You will be required to enter this information on the enrollment portal as you make your benefit elections.

## Spousal Surcharge

If you elect Medical coverage for your spouse and your spouse is eligible for Medical coverage through his/her employer, you will be required to pay a Spousal Surcharge in the amount of \$23.08 per pay period (\$50.00 per month) to cover him/her on the ABC Medical Plan. If your spouse is not eligible for coverage elsewhere, you will be required to complete an affidavit during the enrollment process, in order to enroll them in an ABC Medical Plan and waive the Spousal Surcharge.

## Waiving Coverage

Per Patient Protection and Affordable Care Act (PPACA) regulations, if you are NOT enrolling in Medical, Dental, or Vision coverage for 2019, please log onto ADP at <https://workforcenow.adp.com> to waive coverage prior to the deadline.

## Things to Remember While Enrolling

Before you enroll, you are encouraged to understand your benefits and determine if you need to make any changes. Below are some situations you should take into account as you assess your benefit decisions

- Does your spouse have benefit coverage available through his/her employer?
- Did you get married, divorced, or have a baby recently? If so, do you need to add or remove any dependent(s) or update your beneficiary designations for your 401(k) and Life Insurance?
- Did any of your covered dependent children reach their 26th birthday this year? If so, they are no longer eligible for benefits.



# Medical Coverage

The chart below gives a summary of the Medical coverage options provided by Cigna Health and Life Insurance Co. ("Cigna"). Our Medical coverage helps you maintain your well-being through preventive care and access to an extensive network of providers, as well as affordable prescription medication. The choices provided allow you to select a Plan that will best serve you and your family.

Plan Provisions	Option 1 High Deductible Health Plan (HDHP) Open Access Plus (OAP)		Option 2 Open Access Plus (OAP)		Option 3 Open Access Plus (OAP)	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Annual Deductible</b> (Individual/Family)	\$2,700/\$5,400	\$5,400/\$10,800	\$1,500/\$3,000	\$3,000/\$6,000	\$1,500/\$3,000	\$3,000/\$6,000
<b>Out-of-Pocket Maximum</b> (Includes Deductible)	\$4,100/\$8,200	\$8,200/\$16,400	\$4,000/\$8,000	\$8,000/\$16,000	\$4,000/\$8,000	\$8,000/\$16,000
<b>Lifetime Maximum</b>	Unlimited		Unlimited		Unlimited	
<b>Preventive Care</b>	100%	40% after deductible	100%	40% after deductible	100%	40% after deductible
<b>Primary Care Physician Office Visit</b>	20% after deductible	40% after deductible	\$30 copay	40% after deductible	\$30 copay	40% after deductible
<b>Specialist Office Visit</b>	20% after deductible	40% after deductible	\$50 copay	40% after deductible	\$50 copay	40% after deductible
<b>Inpatient Hospital Services</b>	20% after deductible	40% after deductible	20% after deductible	40% after deductible	20% after deductible	40% after deductible
<b>Outpatient Hospital Services</b>	20% after deductible	40% after deductible	20% after deductible	40% after deductible	20% after deductible	40% after deductible
<b>Urgent Care</b>	20% after deductible	40% after deductible	20% after deductible	40% after deductible	20% after deductible	40% after deductible
<b>Emergency Room Care</b>	20% after deductible		\$300 copay		\$300 copay	

All Medical options include TriStar Health/HCA and Vanderbilt Health in the Nashville/Middle Tennessee area.

\*St. Thomas Midtown providers are not covered under the Option 2 LCP Plan.

Important notes: This is a synopsis of coverage only; the benefits summary contains exclusions and limitations that are not shown here. Please refer to the benefits summary for the full scope of coverage. In-network services are based on negotiated charges; out-of-network services are based on Reasonable & Customary (R&C) charges.

## Advantages of the HDHP Medical Plan (Option 1)

- \* Lower premiums than the Option 2 or Option 3 Plans
- \* Opportunity to set up a Health Savings Account (HSA) and save on a pre-tax basis for non-covered healthcare expenses in an account that will always be yours

It is up to you to choose the Plan that best matches your needs. Please keep in mind that the option you elect will be in place from January 1, 2019 through December 31, 2019, unless you experience a qualifying life event which allows you to change coverage levels.

## How to Find a Provider

To see the current list of Cigna network providers online, go to [www.cigna.com](http://www.cigna.com). If you cannot access the website, please call Cigna Customer Care at 1-800-244-6224 for assistance.

# Prescription Drug Coverage

The Prescription Drug Plan is sponsored by Cigna. You can find more information on your prescription drug benefits and search for network pharmacies by logging onto [www.cigna.com](http://www.cigna.com) or by calling **1-800-244-6224**.

## You have two ways to purchase prescription drugs:

- At a retail pharmacy: You can buy up to a 30-day supply of most medications when you use a network retail pharmacy.
- Through the Mail: If you take medication for a chronic or long-term condition such as diabetes or high blood pressure, you can save money and have up to a 90-day supply delivered right to your home.

## Generic Drugs

One way to get more value from your Medical Plan is to use generic drugs when they are available, which can lower the cost of your personal health needs. A generic drug is chemically identical to the corresponding Preferred or Non-Preferred version. The additional cost of marketing brand name drugs is essentially the only difference between brand name drugs and the generic options. They provide the same benefit, but at a lower price.

A generic is not always prescribed. However, that shouldn't stop you from asking for a generic option. In some cases, the prescribed drug may not have an exact generic option, but you can ask for the generic equivalent. Although the core active ingredient may be slightly different, these equivalents still offer comparable medical benefits and outcomes.

## Preferred Drugs

A Preferred Drug is a brand name drug that is on your provider's list of approved drugs (Preferred Drug List or PDL). To view or obtain a copy of a PDL, please go to the Cigna website: [www.cigna.com](http://www.cigna.com).

## Non-Preferred Drugs

Non-Preferred Drugs have higher copayments and are typically newer drugs on the market. Like generic equivalents, you can request a Preferred Drug equivalent that can offer the same medical effect. You can be a better consumer by doing your research, asking the right questions, and buying at the lowest price.

## Specialty Drugs

Specialty Drugs have higher copayments as they are more expensive medications. Specialty medications are used to treat complex conditions like multiple sclerosis, hepatitis C and rheumatoid arthritis. Cigna Specialty Pharmacy Services can be reached by calling 1-855-326-7463. They are available 24 hours a day, 7 days a week.

Plan Provisions	Option 1 HDHP		Option 2 PPO		Option 3 OAP	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Prescription Deductible</b>	Same as the Medical		None	None	None	None
<b>Retail Prescriptions (30-day supply)**</b>	20% after deductible		None	40%	None	40%
Generic		40% after deductible	\$10 copay		\$10 copay	
Brand Preferred	Preventive copay of		\$35 copay		\$35 copay	
Brand Non-Preferred	\$5/\$25/\$50 applies to preventive drugs*		\$50 copay		\$50 copay	
Specialty**			\$150 copay		\$150 copay	
<b>Mail Order or Retail 90 Prescriptions (90-day supply)</b>	20% after deductible		None	N/A	None	N/A
Generic	Preventive copay of \$15/\$75/\$150	N/A	\$30 copay	N/A	\$30 copay	N/A
Brand Preferred	applies to preventive drugs*		\$105 copay		\$105 copay	
Brand Non-Preferred			\$150 copay		\$150 copay	

\*If you enroll in the Option 1 HDHP, you will have access to obtain preventive drugs without having to meet the Medical deductible. You would only be responsible for the prescription co-pay. You can obtain a list of Preventive Drugs by visiting the Cigna Website: [www.cigna.com](http://www.cigna.com).

\*\*30- day supply on self-injectable medications.

# Wellness Program and Incentives

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At ABC, we want you to be active and engaged in all areas of your health. We hope this will ultimately help you achieve your highest level of well-being. We sponsor the ABC Wellness Program, which is designed to help you:

- Lead a healthier life
- Increase engagement and productivity
- Become a more informed consumer of the ABC Benefits Programs

ABC encourages all team members to participate in the Wellness Program, however participation is voluntary. If you are enrolled in an ABC Medical Plan, participation in the Wellness Program may lead to savings on your Medical Premiums! You can begin participating in the program immediately.

## 2019 Wellness Incentive: \$30.00/Pay Period

If you are enrolled in an ABC Medical Plan, and you earn the required amount of Wellness points, you will receive the Wellness incentive toward your medical premium.

## Deadline to Complete Activities

Current team members will receive 2019 Incentives if they successfully earned the required amount of Wellness points based on the goals of the previous year. Current team members can continue to work toward incentives for next year by continuing participation in the Wellness Program.

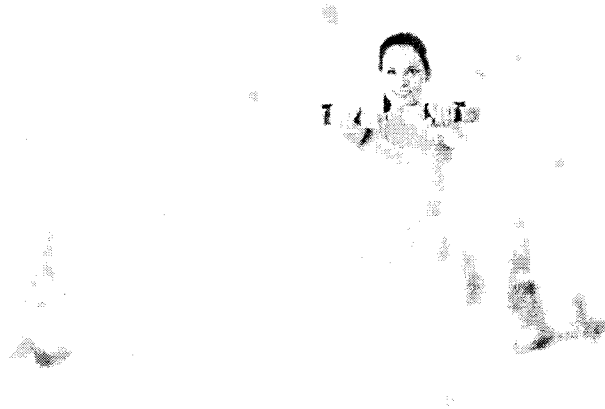
New Hires and team members who are newly eligible for benefits, due to a status change, have 90 days to earn 200 Wellness points.

Look for the ABC Wellness logo on Athena for more program information and to get started. You can also ask the Wellness Booster in your work area for more Wellness Program information.

## 2019 Tobacco Free Incentive: \$16.00/Pay Period

You are required to designate your "Tobacco User" status in ADP under your Personal Profile upon enrolling in your benefit elections. If you are enrolled in an ABC Medical Plan and you designate that you are not a tobacco user you will receive a \$16.00 per pay period (\$34.67 per month) incentive toward your Medical premium.

A tobacco user is defined as someone who uses or has used any form of tobacco (cigarettes, snuff, dip, e-cigarettes, vapes, cigars) within the past 90 days. Audits will take place to ensure the information is correct. Any team member who is a tobacco user and falsifies his or her tobacco status is subject to disciplinary action, up to and including discharge. Cotinine (nicotine) testing is included in the random drug testing process to assist with confirming tobacco user status.



# Dental Coverage

Dental benefits are available to you and your family through Cigna. Regular dental exams can help you and your dentist detect problems in the early stages when treatment is simpler and costs are lower.

You have the option to enroll in either the Base Plan or the Buy-up Plan, both of which offer in-network and out-of-network benefits.

Provision	Base Plan		Buy-up Plan	
<b>Annual Deductible</b> (Individual/Family)	\$50/\$150		\$50/\$150	
<b>Annual Maximum</b> (Per Person)	\$1,500		\$1,500	
<b>Diagnostic and Preventive Care:</b> Includes cleanings, fluoride treatments, sealants and x-rays	100%	100%	100%	100%
<b>Basic Services:</b> Includes fillings, periodontics, scaling and root planning, and oral surgery	10% after deductible	20% after deductible	10% after deductible	20% after deductible
<b>*Major Services:</b> Includes crowns, bridges, full and partial dentures	40% after deductible	50% after deductible	40% after deductible	50% after deductible
<b>*Orthodontia</b> (Includes dependent children and adults)	Not Covered		50% \$1,500 lifetime maximum	
<b>*Implants</b>	Not Covered		40% after deductible	50% after deductible

\*12 Month Waiting Period for Major Services, Orthodontia and Implant Services

ABC offers a comprehensive Vision benefit provided by Cigna, which accesses the VSP network. Eye health is an indicator of overall health. Regular eye exams can detect diseases like glaucoma, diabetes, and blindness.

# Vision Coverage

Benefit	In-Network	Out-of-Network
<b>Exam</b>	\$10 copay	Up to \$45
<b>Hardware</b>	\$10 copay	See below
<b>Frequency</b>		
• Exam	12 months	12 months
• Lenses	12 months	12 months
• Frames	24 months	24 months
<b>Frames</b>	Covered 100% up to the \$130 retail allowance	
<b>Lenses</b>		
• Single vision lenses	Covered at 100%	Up to \$32
• Bifocal lenses	Covered at 100%	Up to \$55
• Trifocal lenses	Covered at 100%	Up to \$65
• Lenticular	Covered at 100%	Up to \$80
<b>Medically necessary contact lenses</b>	Covered at 100% of reasonable and customary charges	
		Up to \$210
<b>Elective contact lenses in lieu of glasses</b>	Up to \$130	Up to \$105

# Glossary of Medical Plan Terms

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**Brand Name Drugs**—Drugs that have trade names and are protected by patents. Brand name drugs are generally the most costly choice.

**Coinsurance**—The percentage of a covered charge paid by the plan.

**Copayment (Copay)**—A flat dollar amount you pay for medical or prescription drug services regardless of the actual amount charged by your doctor or health care provider.

**Deductible**—The annual amount you and your family must pay each year before the plan pays benefits.

**Generic Drugs**—Generic drugs are less expensive versions of brand name drugs that have the same intended use, dosage, effects, risks, safety and strength. The strength and purity of generic medications are strictly regulated by the Federal Food and Drug Administration.

**Health Savings Account (HSA)**—A savings account used in conjunction with a high-deductible health plan (HDHPs) that allows users to save money tax-free for medical expenses that HDHPs do not cover. Contributions are made into the account by the individual or the individual's employer and are limited to a maximum amount each year. The contributions are invested over time and can be used to pay for qualified medical expenses, which include most medical care such as dental and vision.

**High Deductible Health Plan (HDHP)**—A medical plan with a higher deductible than a traditional insurance plan. The monthly premium is usually lower, but you pay more health care cost yourself before the insurance company starts to pay its share (your deductible). A high deductible plan can be combined with a health savings account (HSA), allowing you to pay for certain medical expenses with money free from federal taxes.

**In-Network**—Use of a health care provider that participates in the plan's network. When you use providers in the network, you lower your out-of-pocket expenses because the plan pays a higher percentage of covered expenses.

**Out-of-Network**—Use of a health care provider that does not participate in a plan's network.



**Mail Order Pharmacy**—A licensed pharmacy that dispenses and delivers extended days' supplies of faxed, emailed or phoned prescriptions, via common carrier at mail-order cost sharing.

**Inpatient**—Services provided to an individual during an overnight hospital stay.

**Outpatient**—Services provided to an individual at a hospital facility without an overnight hospital stay.

**Out-of-Pocket Maximum**—The maximum amount you and your family must pay for eligible expenses each plan year. Once your expenses reach the out-of-pocket maximum, the plan pays benefits at 100% of eligible expenses for the remainder of the year, except for prescriptions under all medical plans except the HSA Plan.

**Primary Care Physician (PCP)**—A physician (generally a family practitioner, internist or pediatrician) who provides ongoing medical care. A primary care physician treats a wide variety of health-related conditions.

**Specialist**—A physician who has specialized training in a particular branch of medicine (e.g., a surgeon, gastroenterologist or neurologist).

# 2019 Contributions

Please carefully review the below contributions prior to making your elections.

<b>*MEDICAL/PRESCRIPTION COVERAGE</b>	<b>OPTION 1 - OAP HDHP WITH HSA PLAN</b>	<b>OPTION 2 - OAP HDHP WITH HSA PLAN</b>	<b>OPTION 3 - OAP</b>
	Per Pay Period Cost	Per Pay Period Cost	Per Pay Period Cost
Team Member Only	\$88.00	\$122.00	\$124.00
**Team Member + Spouse	\$193.00	\$257.00	\$270.00
Team Member + Child(ren)	\$170.00	\$219.00	\$227.00
**Team Member + Family	\$250.00	\$331.00	\$348.00

**\*Medical Premium Incentives**

- **Tobacco Free Incentive** - You will receive an incentive of \$16.00 per pay period if you are "Tobacco Free" and your Tobacco User status has been designated as a non-tobacco user under your ADP Personal Profile.
- **Wellness Incentive** - You will receive an incentive of \$30.00 per pay period if you have completed the 2018 Wellness Incentive activities.

**\*\*Spousal Surcharge**

If you elect Medical coverage for your spouse and your spouse is eligible for Medical coverage through his/her employer, you will be required to pay a Spousal Surcharge in the amount of \$23.08 per pay period to cover him/her on the ABC Medical plan. If your spouse is not eligible for coverage elsewhere, then you will be required to complete an affidavit during the enrollment process in order to cover him/her on an ABC Medical plan and to waive the Spousal Surcharge.

<b>DENTAL COVERAGE</b>	<b>BASE PLAN</b>	<b>OPTION 2 - OAP HDHP WITH HSA PLAN</b>
	Per Pay Period Cost	Per Pay Period Cost
Team Member Only	\$9.79	\$10.06
Team Member + Spouse	\$27.45	\$28.12
Team Member + Child(ren)	\$31.96	\$37.63
Team Member + Family	\$44.92	\$52.60

<b>VISION COVERAGE</b>	<b>OPTION 2 - OAP HDHP WITH HSA PLAN</b>
	Per Pay Period Cost
Team Member Only	\$2.87
Team Member + Spouse	\$5.73
Team Member + Child(ren)	\$5.63
Team Member + Family	\$7.68

# Health Savings Account (HSA)

Both you and ABC can make contributions to your HSA. When you enroll in the HDHP for the first time an HSA will be automatically established in your name.

If you are enrolled in the Medical Option 1 HDHP Plan, you can take advantage of the HSA offered through Discovery Benefits. An HSA is a bank account that you can use to pay for qualified healthcare expenses with pre-tax dollars. You will have the opportunity to set aside funds before taxes through convenient payroll deductions. Once you reach \$2,000, you can then invest those funds to help your account grow.

Visit [www.DiscoveryBenefits.com](http://www.DiscoveryBenefits.com).

## You are eligible to open and fund an HSA if:

- You are not eligible to be claimed as a dependent on someone else's tax return.
- You are not enrolled in a PPO plan
- You are not enrolled in Medicare or TRICARE.
- You have not received Veterans Administration benefits.

\* You must be enrolled in a qualified health Plan to contribute to an HSA.

## Your Contributions

You can contribute money to your HSA through:

- Pre-tax contributions through payroll deductions and/or
- After-tax contributions through cash contributions that are tax deductible when filing your yearly taxes.

## Company Contribution

In order to receive HSA contributions from ABC, you will be required to contribute to the HSA on a per pay period basis. ABC will match your contribution on a per pay period basis up to **\$500 annually (\$19.23/pay period)** for team member only coverage; team members enrolled in all other tiers may receive up to **\$750 annually (\$28.85/pay period)**. ABC will not match lump sum contributions to your HSA.

## HSA Funding and Limits

The 2019 IRS maximum contributions including Company contributions are:

- Individual \$3,500
- Family \$7,000

NOTE: If you are 55 or older, you may make additional "catch-up" contributions up to \$1,000 each year until you enroll in Medicare.

## How the HSA Works

Discovery Benefits will issue you a debit card, giving you direct access to your account balance. Anytime you have a qualified healthcare expense, including those belonging to your spouse and/or dependent(s), even if they are not covered by your HDHP, you may use your debit card to pay. You must have a balance to use your debit card. There are no receipts to submit for reimbursement. However, all receipts should be kept in the event of an IRS audit.

Qualified healthcare expenses include doctor's visits, eye exams, prescription expenses, and LASIK surgery. IRS Publication 502 provides a complete list of eligible expenses and can be found on the website at <https://www.irs.gov/pub/irs-pdf/p502.pdf>.

## The Advantages of the HSA

- **Triple-Tax Savings** - You deposit pre-tax funds via payroll deductions. Funds grow on a tax-free basis. Funds can be withdrawn any time, tax-free, to pay for qualified healthcare expenses.
- **Control** - You own and control the money in your HSA, and you decide how you want to spend it, as well as what, if any, types of investments you want to make with the money in the account in order to make it grow.
- **Portability** - Your HSA is yours for life. You own and keep it — meaning that if you change Plans,\* retire or leave the company, the account is still yours. You can even transfer your account to another bank that offers qualified HSAs.
- **Savings Potential** - There is no "use it or lose it" rule. Your account grows over time as you continue to roll over unused dollars from year to year.
- **Flexibility** - You decide the goal for your HSA — use it as a health emergency fund, a retirement health care account or a routine healthcare savings account.



# Flexible Spending Accounts (FSA)

A Flexible Spending Account (FSA) is a program that helps you pay for health care and dependent care costs using tax free dollars.

ABC offers Flexible Spending Accounts (FSAs), administered by Discovery Benefits, which work in a similar way to a savings account. If elected, each pay period funds are deducted from your pay on a pre-tax basis and credited to a Health Care and/or Dependent Care FSA. You then use your funds to pay for eligible healthcare or dependent care expenses.

Account Type	Eligible Expenses	Contribution Limit	Benefit
Health Care FSA	Most medical, dental, and vision care expenses that are not covered by your health Plan (such as copayments, coinsurance, deductibles, eyeglasses, and doctor-prescribed over the counter medications)	Maximum contribution is \$2,650 per year	Saves on eligible expenses not covered by insurance; reduces your taxable income
Dependent Care FSA	Dependent care expenses (such as day care, after school programs, or elder care programs) so you and your spouse can work or attend school full-time	Maximum contribution is \$5,000 per year (\$2,500 if married and filing separate tax returns)	Reduces your taxable income

## Example

Here's a look at how much you can save when you use an FSA to pay for your health care and dependent care expenses.

Account Type	With FSA	Without FSA
Your taxable income	\$50,000	\$50,000
Pretax contribution to Health Care and Dependent Care FSA	\$2,000	\$0
Federal and Social Security taxes*	\$15,696	\$16,350
After-tax dollars spent on eligible expenses	\$0	\$2,000
Spendable income after expenses and taxes	\$32,304	\$31,650
Tax savings with the Medical and Dependent Care FSA	\$654	N/A

\*This is an example only; not your actual experience. It assumes a 25% federal income tax rate marginal rate and a 7.7% FICA marginal rate. State and local taxes vary, and are not included in this example. However, you will save on any state and local taxes as well.

## What Are the Advantages of an FSA?

With an FSA, the money you contribute is never taxed—not when you put it in the account, not when you are reimbursed with the funds from the account, and not when you file your income tax return at the end of the year.

## How to Use the Account

The FSA debit card allows you to pay for eligible expenses at the point of service and deducts funds directly from your FSA. This allows you to avoid waiting for reimbursement. **However, all receipts should be kept in the event you need to substantiate your purchase.**

If you receive communication from Discovery Benefits requesting documentation or receipts to substantiate your purchase, it's critical that you reply timely and provide the requested information. Failure to comply may result in you being required to pay funds back into the plan.

## Important Information about FSAs

Your FSA elections will be in effect from January 1, 2019 through December 31, 2019. Claims for reimbursement for the 2019 plan year must be submitted by March 31, 2020. Please plan your contributions carefully. Any money remaining in your account after March 31, 2020 will be forfeited. This is known as the "use it or lose it" rule and is governed by IRS regulations.

Note: FSA elections do not automatically continue from year to year; you must actively enroll each year.

# Life Insurance

Life Insurance is an important part of your financial security, especially if others depend on you for support. Accidental Death & Dismemberment (AD&D) Insurance is designed to provide a benefit in the event of accidental death or dismemberment.

Basic Life and AD&D benefits are provided to you as part of your basic coverage. ABC provides team members with Basic Life and AD&D Insurance through Lincoln Financial, which guarantees that loved ones, such as a spouse or other designated survivors, receive a benefit after your death.

## BASIC LIFE/AD&D

<b>Coverage Amount</b>	Class 1 (Exempt team members): 2 times annual base earnings, up to \$300,000 Class 2 (Non-Exempt team members): \$50,000
<b>Who Pays</b>	Basic Life and AD&D benefits are provided to you by ABC. You will automatically receive Basic Life and AD&D coverage even if you do not elect any other coverage.
<b>Benefits are Payable</b>	If you die, lose a limb, or suffer paralysis in an accident

## OPTIONAL TEAM MEMBER LIFE

<b>Coverage Amount</b>	Increments of \$10,000
<b>Who Pays</b>	You pay the full cost
<b>Guarantee Issue Amount (Newly Eligible)</b>	\$200,000
<b>Benefits are Payable</b>	If you die
<b>Maximum Benefit</b>	Not to exceed \$500,000
<b>Evidence of Insurability (EOI)</b>	During Annual Enrollment, you may enroll in, or increase your current coverage election without submitting EOI, provided the new election does not exceed the \$200,000 guarantee issue amount. If you exceed the guarantee issue amount of \$200,000, EOI will be required.

## OPTIONAL SPOUSE AND DEPENDENT CHILD LIFE

<b>Coverage Amount</b>	Spouse – Increments of \$5,000 Dependent Child(ren) - Increments of \$2,000 Dependent Child(ren) – Eligible for coverage until age 26
<b>Who Pays</b>	You pay the full cost
<b>Guarantee Issue Amount (Newly Eligible)</b>	\$50,000 Spouse; \$10,000 Child(ren)
<b>Benefits are Payable</b>	If your dependent dies
<b>Maximum Benefit</b>	Spouse - Up to \$250,000, but not to exceed 100% of your Optional Life coverage Dependent Child(ren) - Up to \$10,000, but not to exceed 100% of your Optional Life coverage
<b>Evidence of Insurability (EOI)</b>	During Annual Enrollment, you may enroll in, or increase your spousal coverage election without submitting EOI, provided the new election does not exceed the \$50,000 guarantee issue amount. If you exceed the guarantee issue amount of \$50,000, EOI will be required.

### Life Insurance Beneficiary Designation

A beneficiary is the person you designate to receive your Life Insurance benefits in the event of your death. This includes any benefits payable under the Basic and Optional Life Insurance Plans available through ABC. Benefits payable for a dependent's death under the Optional Life Insurance Plan are payable to you.

It's important that you clearly designate your beneficiaries for your Life Insurance on the enrollment portal so that your intentions are clear. It is also important to name a primary and contingent beneficiary. When naming your beneficiary please indicate their full name, address, Social Security number, relationship to you, and distribution percentage you wish for each beneficiary to receive. If you name more than one beneficiary with unequal shares, please show the amount of insurance to be paid to each beneficiary in percentages, (i.e. 33% to Pauline Smith, Mother, 67% to Mary J. Doe, Wife). If you need assistance, contact Human Resources or your own legal counsel.

# Disability Insurance

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If you have to miss work due to illness or injury, you have the ability to ensure that a portion of your base income continues. Our Disability Plans cover a portion of your income until you can return to work, or until you reach retirement age.

ABC provides both Short-Term Disability (STD) and Long-Term Disability (LTD) offered through Lincoln Financial. These benefits pay a portion of your base salary, should you need to take a leave of absence due to a medically-approved illness or disability.

## Here's How It Works:

- STD benefits equal 60% of your base pay up to the Plan maximum each week, for up to 13 weeks. You pay 100% of the premium for STD. There is no pre-existing condition clause for STD.
- LTD benefits equal 60% of your base pay, up to the Plan maximum each month. See the Summary Plan Description (SPD) for details on the benefit's duration period.
- ABC provides LTD coverage to all eligible Team Members at no cost to you. You will automatically receive LTD coverage even if you do not elect any other coverage.

**Note: Evidence of Insurability (EOI) will be required if you did not elect STD coverage during your initial enrollment period as a new hire or a newly benefit eligible Team Member and you are enrolling in STD coverage for the first time during Annual Enrollment.**



# Employee Assistance Program (EAP)

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ABC cares about you and your family's total health management - mental, spiritual, emotional, and physical. For that reason, ABC provides an Employee Assistance Program (EAP) at no cost to you, administered by Aetna Resources for Living.

The EAP connects you with the best mental health and counseling services, including faith based services. Whether you are interested in work/life resources, mental health assistance, or legal and financial advice, the EAP service can connect you and your immediate family members with a variety of professionals. With just one phone call, at any hour of the day or night, you can speak with helpful resources. The EAP benefit includes three face-to-face, tele video or telephonic consultations, per event, with a licensed professional. All services provided are confidential and will not be shared with ABC.



**Services are confidential and are available 24 hours a day, 7 days a week. To access services, simply call 888-238-6232 or visit the online website at: [www.resourcesforliving.com](http://www.resourcesforliving.com)**

**Username: ABCCorp  
Password: eap**

The EAP is there for small issues, big problems and everything in between. The list below includes some of the reasons people contact the EAP. They can help your family members with:

- Managing stress
- Parenting
- Building closer relationships
- Improving your finances
- Finding child care or summer camp
- Dealing with illness
- Getting dependent care support
- Growing your confidence
- Managing anger
- Being assertive
- Planning for your estate
- Coping with substance abuse
- Balancing life and work
- Saving for your future
- Grieving a loss
- Caring for elderly family members
- Meeting your goals
- Having a legal consultation
- Coping with depression or anxiety
- Getting the life you want

# 401(k) Retirement Savings Plan

John Hancock Retirement Services is the record-keeper for the ABC Corporation 401(k) Retirement Savings Plan. The Plan offers a convenient ways to save for your future through payroll deductions.

## Eligibility

All regular, full-time team members are eligible to contribute to a traditional pre-tax and/or after-tax Roth 401(k) Plan the first of the month following 60 days of employment. Regular, part-time team members working more than 20 hours, but less than 30 hours per week are eligible to participate in the Plan after completing one (1) year of service (1,000 hours). Regular, part-time team members can enter the Plan on the first day of the month after eligibility requirements are met. Team members must be at least 18 years old to participate in the Plan.

## Team Member Contributions

Contributions from your pay are made on a pre-tax or post-tax (Roth) basis – up to the IRS annual limit. The 2019 IRS limit is \$19,000. If you are 50 years of age or older, (or if you will reach age 50 by the end of the year), you can make catch-up contributions in addition to the normal IRS annual limit. For 2019 the IRS limit for the catch-up contribution is \$6,000.

Commission and bonus payments are not included in the definition for Plan Compensation in the ABC 401(k) Plan; therefore deferrals are not calculated on these payments.

## Employer Match

ABC provides a Safe Harbor matching contribution of 100% up to the first 4% of eligible Plan compensation.

## Vesting

Vesting refers to your right of ownership to the money in your account. Beginning January 1, 2014, you are immediately 100% vested in the employer Safe Harbor Match. Matching contributions made prior to January 1, 2014 and additional Discretionary Matching contributions are vested according to the current schedule and are based on years of service:

Years of Vesting Service	Percent Vested
Less than 1 year	0%
1 year but less than 2	25%
2 years but less than 3	50%
3 years but less than 4	75%
4 years or more	100%

## Consolidating Retirement Accounts

John Hancock can assist with combining other retirement accounts with your ABC 401(k) Retirement Plan. Contact John Hancock at 800-294-3575 to learn more about this process.

## John Hancock Tools

John Hancock gives you access to engaging, interactive learning experiences that help you take control of your financial future. Get simple and useful education when you need it. Short videos, animations, and game-inspired learning experiences to help you with day-to-day finances. Accessible anytime, anywhere on your computer, tablet, or smartphone, topics include:

- Credit card debt
- Having a mortgage
- Auto loans
- Identity protection
- Estate planning

All of this and more is available at the website [www.mylife.jhrps.com](http://www.mylife.jhrps.com) and mobile app MyLifeNow.

**You can elect to participate in or make changes to your 401(k) Plan contributions, investments, and/or beneficiary designations by contacting the John Hancock Participant Services Center at 1-800-294-3575 or by accessing the website at [www.mylife.jhrps.com](http://www.mylife.jhrps.com).**

# Important Notices

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## EXPANDED COVERAGE OF WOMEN'S SERVICES

Under the Affordable Care Act, the federal government has expanded the list of preventive services that must be covered without requiring you to pay a copayment, coinsurance or deductible. Please contact Cigna or your local Human Resources Department for more details.

## AVAILABILITY OF SUMMARY HEALTH INFORMATION

As a team member, 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. ABC offers a number of health coverage options. To help you make an informed choice, ABC makes available a Summary of Benefits and Coverage (SBC) for each Medical Plan. These documents summarize important information about each of our health coverage options in a standard format to help you compare. You can obtain a copy of the SBCs from your HR Department.

## SAMPLE GINA WARNING AGAINST PROVIDING GENETIC INFORMATION

The Genetic Information Nondiscrimination Act (GINA) prohibits collection of genetic information by both employers and health plans, and defines genetic information very broadly. Asking an individual to provide family medical history is considered collection of genetic information, even if there is no reward for responding (or penalty for failure to respond). In addition, a question about an individual's current health status is considered to be a request for genetic information if it is made in a way likely to result in obtaining genetic information (e.g., family medical history). Wellness programs that require completion of health risk assessments or other forms that request health information may violate the collection prohibition unless they fit within an exception to the prohibition for inadvertent acquisition of such information. This exception applies if the request does not violate any laws, does not ask for genetic information and includes a warning against providing genetic information in any responses. An employer administering a wellness program might include on the relevant forms a warning such as the one set out below.

## GINA WARNING FOR WELLNESS PROGRAM MATERIALS REQUESTING MEDICAL INFORMATION

In answering these questions, do not include any genetic information. The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers and other entities covered by GINA from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by this law. To comply with this law, we are asking that you not provide any genetic information when responding to this request. "Genetic information" as defined by GINA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services. Please do not include any family medical history or any information related to genetic testing, genetic services, genetic counseling or genetic diseases for which an individual may be at risk.

## DISCLOSURE OF ALTERNATIVE STANDARD AVAILABILITY FOR HEALTH FACTOR RELATED WELLNESS PROGRAMS

If it is unreasonably difficult due to a medical condition for you to achieve the standards for the reward under this program, or if it is medically inadvisable for you to attempt to achieve the standards for the reward under this program, contact the Plan Administrator and we will work with you to develop another way to qualify for the reward.

## PREMIUM ASSISTANCE UNDER MEDICAID AND THE CHILDREN'S HEALTH 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](http://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](http://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](http://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, 2018. Contact your State for more information on eligibility –

<p><b>ALABAMA – Medicaid</b></p> <p>Website: <a href="http://myalhipp.com/">http://myalhipp.com/</a>            Phone: 1-855-692-5447</p>	<p><b>FLORIDA – Medicaid</b></p> <p>Website: <a href="http://flmedicaidprecovery.com/hipp/">http://flmedicaidprecovery.com/hipp/</a>            Phone: 1-877-357-3268</p>
<p><b>ALASKA – Medicaid</b></p> <p>The AK Health Insurance Premium Payment Program            Website: <a href="http://myakhipp.com/">http://myakhipp.com/</a>            Phone: 1-866-251-4861            Email: <a href="mailto:CustomerService@MyAKHIPP.com">CustomerService@MyAKHIPP.com</a>            Medicaid Eligibility:  <a href="http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx">http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx</a></p>	<p><b>GEORGIA – Medicaid</b></p> <p>Website: <a href="http://dch.georgia.gov/medicaid">http://dch.georgia.gov/medicaid</a>            - Click on Health Insurance Premium Payment (HIPP)            Phone: 404-656-4507</p>
<p><b>ARKANSAS – Medicaid</b></p> <p>Website: <a href="http://myarhipp.com/">http://myarhipp.com/</a>            Phone: 1-855-MyARHIPP (855-692-7447)</p>	<p><b>INDIANA – Medicaid</b></p> <p>Healthy Indiana Plan for low-income adults 19-64            Website: <a href="http://www.in.gov/fssa/hip/">http://www.in.gov/fssa/hip/</a>            Phone: 1-877-438-4479            All other Medicaid: Website: <a href="http://www.indianamedicaid.com">http://www.indianamedicaid.com</a>            Phone 1-800-403-0864</p>
<p><b>COLORADO – Health First Colorado (Colorado's Medicaid Program) &amp; Child Health Plan Plus (CHP+)</b></p> <p>Health First Colorado Website: <a href="https://www.healthfirstcolorado.com/">https://www.healthfirstcolorado.com/</a>            Health First Colorado Member Contact Center:            1-800-221-3943/ State Relay 711            CHP+: <a href="http://Colorado.gov/HCPF/Child-Health-Plan-Plus">Colorado.gov/HCPF/Child-Health-Plan-Plus</a>            CHP+ Customer Service: 1-800-359-1991/            State Relay 711</p>	<p><b>IOWA – Medicaid</b></p> <p>Website: <a href="http://dhs.iowa.gov/hawk-i">http://dhs.iowa.gov/hawk-i</a>            Phone: 1-800-257-8563</p>
<p><b>KANSAS – Medicaid</b></p> <p>Website: <a href="http://www.kdheks.gov/hcf/">http://www.kdheks.gov/hcf/</a>            Phone: 1-785-296-3512</p>	<p><b>NEW HAMPSHIRE – Medicaid</b></p> <p>Website: <a href="https://www.dhhs.nh.gov/ombp/nhhpp/">https://www.dhhs.nh.gov/ombp/nhhpp/</a>            Phone: 603-271-5218            Hotline: NH Medicaid Service Center at 1-888-901-4999</p>
<p><b>KENTUCKY – Medicaid</b></p> <p>Website: <a href="https://chfs.ky.gov">https://chfs.ky.gov</a>            Phone: 1-800-635-2570</p>	<p><b>NEW JERSEY – Medicaid and CHIP</b></p> <p>Medicaid Website: <a href="http://www.state.nj.us/humanservices/dmahs/clients/medicaid/">http://www.state.nj.us/humanservices/dmahs/clients/medicaid/</a>            Medicaid Phone: 609-631-2392            CHIP Website: <a href="http://www.njfamilycare.org/index.html">http://www.njfamilycare.org/index.html</a>            CHIP Phone: 1-800-701-0710</p>
<p><b>LOUISIANA – Medicaid</b></p> <p>Website: <a href="http://dhh.louisiana.gov/index.cfm/subhome/1/n/331">http://dhh.louisiana.gov/index.cfm/subhome/1/n/331</a>            Phone: 1-888-695-2447</p>	<p><b>NEW YORK – Medicaid</b></p> <p>Website: <a href="https://www.health.ny.gov/health_care/medicaid/">https://www.health.ny.gov/health_care/medicaid/</a>            Phone: 1-800-541-2831</p>
<p><b>MAINE – Medicaid</b></p> <p>Website: <a href="http://www.maine.gov/dhhs/ofi/public_assistance/index.html">http://www.maine.gov/dhhs/ofi/public_assistance/index.html</a>            Phone: 1-800-442-6003 TTY: Maine relay 711</p>	<p><b>NORTH CAROLINA – Medicaid</b></p> <p>Website: <a href="https://dma.ncdhhs.gov/">https://dma.ncdhhs.gov/</a>            Phone: 919-855-4100</p>
<p><b>MASSACHUSETTS – Medicaid and CHIP</b></p> <p>Website: <a href="http://www.mass.gov/eohhs/gov/departments/masshealth/">http://www.mass.gov/eohhs/gov/departments/masshealth/</a>            Phone: 1-800-862-4840</p>	<p><b>NORTH DAKOTA – Medicaid</b></p> <p>Website:  <a href="http://www.nd.gov/dhs/services/medicalserv/medicaid/">http://www.nd.gov/dhs/services/medicalserv/medicaid/</a>            Phone: 1-844-854-4825</p>
<p><b>MINNESOTA – Medicaid</b></p> <p>Website:  <a href="https://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/other-insurance.jsp">https://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/other-insurance.jsp</a>            Phone: 1-800-657-3739</p>	<p><b>OKLAHOMA – Medicaid and CHIP</b></p> <p>Website: <a href="http://www.insureoklahoma.org">http://www.insureoklahoma.org</a>            Phone: 1-888-365-3742</p>
<p><b>MISSOURI – Medicaid</b></p> <p>Website: <a href="http://www.dss.mo.gov/mhd/participants/pages/hipp.htm">http://www.dss.mo.gov/mhd/participants/pages/hipp.htm</a>            Phone: 573-751-2005</p>	<p><b>OREGON – Medicaid</b></p> <p>Website: <a href="http://healthcare.oregon.gov/Pages/index.aspx">http://healthcare.oregon.gov/Pages/index.aspx</a>  <a href="http://www.oregonhealthcare.gov/index-es.html">http://www.oregonhealthcare.gov/index-es.html</a>            Phone: 1-800-699-9075</p>

<b>MONTANA – Medicaid</b> Website: <a href="http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP">http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP</a> Phone: 1-800-694-3084	<b>PENNSYLVANIA – Medicaid</b> Website: <a href="http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm">http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm</a> Phone: 1-800-692-7462
<b>NEBRASKA – Medicaid</b> Website: <a href="http://www.ACCESSNebraska.ne.gov">http://www.ACCESSNebraska.ne.gov</a> Phone: (855) 632-7633 Lincoln: (402) 473-7000 Omaha: (402) 595-1178	<b>RHODE ISLAND – Medicaid</b> Website: <a href="http://www.eohhs.ri.gov/">http://www.eohhs.ri.gov/</a> Phone: 855-697-4347
<b>NEVADA – Medicaid</b> Medicaid Website: <a href="https://dhcfp.nv.gov">https://dhcfp.nv.gov</a> Medicaid Phone: 1-800-992-0900	<b>SOUTH CAROLINA – Medicaid</b> Website: <a href="https://www.scdhhs.gov">https://www.scdhhs.gov</a> Phone: 1-888-549-0820
<b>SOUTH DAKOTA - Medicaid</b> Website: <a href="http://dss.sd.gov">http://dss.sd.gov</a> Phone: 1-888-828-0059	<b>WASHINGTON – Medicaid</b> Website: <a href="http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program">http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program</a> Phone: 1-800-562-3022 ext. 15473
<b>TEXAS – Medicaid</b> Website: <a href="http://gethipptexas.com/">http://gethipptexas.com/</a> Phone: 1-800-440-0493	<b>WEST VIRGINIA – Medicaid</b> Website: <a href="http://mywvhipp.com/">http://mywvhipp.com/</a> Toll-free phone: 1-855-MyWVHIPP (1-855-699-8447)
<b>UTAH – Medicaid and CHIP</b> Medicaid Website: <a href="https://medicaid.utah.gov/">https://medicaid.utah.gov/</a> CHIP Website: <a href="http://health.utah.gov/chip">http://health.utah.gov/chip</a> Phone: 1-877-543-7669	<b>WISCONSIN – Medicaid and CHIP</b> Website: <a href="https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf">https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf</a> Phone: 1-800-362-3002
<b>VERMONT– Medicaid</b> Website: <a href="http://www.greenmountaincare.org/">http://www.greenmountaincare.org/</a> Phone: 1-800-250-8427	<b>WYOMING – Medicaid</b> Website: <a href="https://wyequalitycare.acs-inc.com/">https://wyequalitycare.acs-inc.com/</a> Phone: 307-777-7531
<b>VIRGINIA – Medicaid and CHIP</b> Medicaid Website: <a href="http://www.coverva.org/programs_premium_assistance.cfm">http://www.coverva.org/programs_premium_assistance.cfm</a> Medicaid Phone: 1-800-432-5924 CHIP Website: <a href="http://www.coverva.org/programs_premium_assistance.cfm">http://www.coverva.org/programs_premium_assistance.cfm</a> CHIP Phone: 1-855-242-8282	

To see if any other states have added a premium assistance program since July 31, 2018, or for more information on special enrollment rights, contact either:

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

U.S. Department of Health and Human Services  
Centers for Medicare & Medicaid Services  
[www.cms.hhs.gov](http://www.cms.hhs.gov)  
1-877-267-2323, Menu Option 4, Ext. 61565

## Important Notice from ABC Corporation About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it in a convenient place. This notice has information about your current prescription drug coverage with ABC Corporation, and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.



2. ABC Corporation Group Health Plan has determined that the prescription drug coverage offered by the ABC Corporation is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

**When Can You Join A Medicare Drug Plan?**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15<sup>th</sup> to December 7<sup>th</sup>. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

**What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?**

If you decide to join a Medicare drug plan, your current plan coverage will generally not be affected. If you do decide to join a Medicare drug plan and drop your current ABC Corporation coverage, be aware that you and your dependents will be able to get this coverage back.

**When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with ABC Corporation and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later. If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

**For More Information About This Notice Or Your Current Prescription Drug Coverage...**

Contact the person listed below for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through ABC Corporation changes. You also may request a copy of this notice at any time.

**For More Information About Your Options Under Medicare Prescription Drug Coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained Creditable Coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

Date:	October 2018
Name of Entity/Sender:	ABC Corporation
Contact--Position/Office:	Lori Cox
Address:	501 Great Circle Road Nashville, TN 37228
Phone Number:	(615)577-4584

# ANNUAL NOTICE FOR THE ABC CORPORATION 401(K) PLAN (“Plan”)

Date: November 2018

Plan Sponsor: ABC Corporation (the “Company”)

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This is an annual notice which only applies to the 2019 Plan Year.

Please read this notice carefully, as it contains important information about certain features of the Plan. To obtain more general information about the Plan, you should review the Plan’s Summary Plan Description (“SPD”), a copy of which was provided to you. If you need an additional copy, see “FOR ADDITIONAL INFORMATION” below for information on how you can obtain one.

*NOTE: Many of your Plan elections are made by contacting John Hancock Life Retirement Plan Services, LLC (“John Hancock”). If you wish to contact John Hancock, you may do so:*

- 24 hours a day via either the internet at [mylife.jhrps.com](http://mylife.jhrps.com) or an automated telephone system at 800.294.3575.
- 8AM to 10PM Eastern Time by calling 800.294.3575 to speak with a Participant Service Representative.

## IRS SAFE-HARBOR PLAN NOTICE:

For the 2019 Plan Year, the Plan intends to satisfy the IRS’s requirements for a “safe-harbor” plan. This notice is designed to inform you of your rights and obligations under the Plan, and satisfy the requirements of the final regulations under Internal Revenue Code Sections 401(k) and 401(m).

### ➤ **Safe Harbor Contribution.**

To help you make an informed decision about participating in the Plan, the Company must inform you about the contributions it will make to the Plan on your behalf.

If you are eligible under the terms of the Plan to receive Company contributions, the Company will make the following contribution to the Plan:

Enhanced Matching Contribution: A matching contribution equal to 100% of your salary deferrals which do not exceed 4% of your Compensation.

### ➤ **Other Company Contributions.**

Please refer to the Plan’s SPD for information regarding additional Company contribution(s) which may be made under the Plan.

See “FOR ADDITIONAL INFORMATION” below to find out how to get a copy of the current SPD and other information about the Plan.

### ➤ **Type and Amount of Compensation that May Be Deferred.**

As a participant in the Plan, you may elect to contribute a portion of your pay each Plan Year. The Company will contribute this amount (your “deferral contributions”) to the Plan. You may make either pre-tax contributions and/or Roth 401(k) deferrals. If you make pre-tax 401(k) deferrals, your deferrals will not be subject to income tax until distributed from the Plan. If you make Roth deferrals, those deferrals will be subject to income tax at the time they are made. However, if you satisfy certain distribution requirements, your Roth contributions as well as any earnings on the Roth 401(k) deferrals will not be subject to income tax when distributed from the Plan. Both types of contributions are subject to Social Security taxes at the time they are made. The Company will deduct the Social Security taxes, and in the case of Roth deferrals, will deduct income taxes from your remaining pay.

You may contribute from 1% to 100% of your pay as pre-tax and/or Roth contributions each Plan Year, but not more than the annual limit in effect each calendar year. (Certain highly-paid participants may be subject to a lower maximum rate. You will be notified if you are one of these participants.) Participants who will be age 50 or older during the calendar year can contribute “catch-up” contributions up to the annual catch-up limit in effect each calendar year. The annual deferral and catch-up limits are available by contacting John Hancock and are updated at the beginning of each calendar year.

You should be aware that under the federal tax laws, pay in excess of the annual compensation limit may not be taken into account for Plan purposes. The annual compensation limit is also available by contacting John Hancock and is updated at the beginning of each calendar year. Please refer to the SPD for additional information regarding the type and amount of “pay” that may be deferred.

➤ **How to Make Cash or Deferred Elections.**

To contribute a portion of your pay, you must enroll in the Plan by contacting John Hancock.

➤ **Periods Available for Making Cash or Deferred Elections.**

In accordance with Plan rules, you may change your contribution election (pre-tax and/or Roth) any business day by contacting John Hancock. Your contribution change will be effective as soon as administratively possible thereafter.

➤ **Applicable Vesting Provisions.**

The following is a general explanation of the vesting provisions of the Plan. More details can be found in the Plan’s SPD.

You are always 100% vested in your deferral contributions (pre-tax and/or Roth), any rollover contributions you may have made, and any Company “safe-harbor” contributions made on your behalf (adjusted for investment gains and losses).

However, any additional Company contributions allocated to your account (adjusted for investment gains and losses) will be subject to the following vesting schedule:

<u>Years of Vesting Service</u>	<u>Percent Vested</u>
Less than 1 year	0%
1 year but less than 2	25%
2 years but less than 3	50%
3 years but less than 4	75%
4 years or more	100%

You should also be aware that if you terminate employment with the Company on or after your normal retirement date (age 65), as a result of your “permanent and total disability”, or your death, you will automatically become 100% vested – regardless of your years of vesting service under the Plan.

➤ **Applicable Withdrawal Provisions.**

You generally may not withdraw your deferral contributions (pre-tax and/or Roth) or any safe-harbor contributions except when one of the following events occurs: severance from employment with the Company, death, disability, or attainment of age 59½. You may, however, obtain a “hardship withdrawal” that includes your deferral contributions if you satisfy certain IRS requirements.

You may also withdraw all or any portion of your account attributable to any rollover contributions you may have made at any time. You may also withdraw all or any portion of your vested account once you have attained age 59½.

You may receive distribution of your vested account after you terminate employment with the Company.

All withdrawals and distributions are subject to rules and procedures as set forth under the Plan. Additional information about withdrawals and distributions available under the Plan, including rules and procedures, can be found in the Plan's SPD.

See "FOR ADDITIONAL INFORMATION" below to find out how to get a copy of the current SPD and other information about the Plan.

➤ **Plan Amendment and Termination.**

The Company retains the right to amend the Plan, including the right to terminate the Plan and discontinue all contributions (including the safe harbor contribution) under the Plan. Termination of the Plan will not affect your right to receive any contributions you have accrued as of the effective date of the termination.

The Company also may amend the Plan during the Plan year to reduce or suspend safe-harbor contributions for the Plan Year in which case you will be provided with a 30-day advance notice of the reduction or suspension, as applicable.

**QUALIFIED DEFAULT INVESTMENT ALTERNATIVE**

You have the right to direct the investment of your account among any of the investment options available under the Plan. Information concerning the available options has been provided to you. If you become a participant in the Plan and do not have an investment election on file, any contribution made on your behalf will be invested in the Plan's default investment, the appropriate American Funds Target Date Retirement Fund (Class R3) based on your date of birth in accordance with the following schedule:

Birth Date	Fund Name
1947 or Earlier	American Funds 2010 Target Date Retirement Fund (Class R3)
1948 to 1952	American Funds 2015 Target Date Retirement Fund (Class R3)
1953 to 1957	American Funds 2020 Target Date Retirement Fund (Class R3)
1958 to 1962	American Funds 2025 Target Date Retirement Fund (Class R3)
1963 to 1967	American Funds 2030 Target Date Retirement Fund (Class R3)
1968 to 1972	American Funds 2035 Target Date Retirement Fund (Class R3)
1973 to 1977	American Funds 2040 Target Date Retirement Fund (Class R3)
1978 to 1982	American Funds 2045 Target Date Retirement Fund (Class R3)
1983 to 1987	American Funds 2050 Target Date Retirement Fund (Class R3)
1988 to 1992	American Funds 2055 Target Date Retirement Fund (Class R3)
1993 or After	American Funds 2060 Target Date Retirement Fund (Class R3)

unless you make an alternative investment election by contacting John Hancock.

This investment is intended to satisfy the requirements of a "qualified default investment alternative" ("QDIA") under the Employee Retirement Income Security Act of 1974 ("ERISA"). A copy of the Fund Fact Sheet for the Plan's default investment is attached to this Notice.

If you do not make an investment election and your account is invested in the QDIA, you may transfer all or any part of it from the QDIA into any other available investment options by contacting John Hancock. Information regarding all of the Plan's investment options and procedures for changing investment elections is available by contacting John Hancock.

## About Risk

A Target Date Portfolio is an investment option comprised of "fund of funds" which allocate their investments among multiple asset classes which can include U.S. and foreign equity and fixed income securities. The "target date" in a target date portfolio is the approximate date an investor plans to start withdrawing money. The Portfolio's ability to achieve its investment objective will depend largely on the ability of the sub-adviser to select the appropriate mix of underlying funds and on the underlying funds' ability to meet their investment objectives. The portfolio managers control security selection and asset allocation. There can be no assurance that either a Fund or the underlying funds will achieve their investment objectives. An investor should examine the asset allocation of the fund to ensure it is consistent with their own risk tolerance.

A Fund is subject to the same risks as the underlying funds in which it invests. Because target date funds are managed to specific retirement dates, investors may be taking on greater risk if the actual year of retirement differs dramatically from the original estimated date. Target date funds generally shift to a more conservative investment mix over time. While this may help to manage risk, it does not guarantee earnings growth nor is the fund's principal value guaranteed at any time including at the target date. An investment in a target-date fund is not guaranteed, and you may experience losses, including losses near, at, or after the target date. There is no guarantee that the fund will provide adequate income at and through retirement. Consider the investment objectives, risks, charges, and expenses of the fund carefully before investing.

For a more complete description of these and other risks, please review the fund's prospectus.

### FOR ADDITIONAL INFORMATION

You should consult the Plan document and SPD for a complete explanation of the Plan's features and for information regarding your rights under the Plan. You may also view and/or obtain a copy of the SPD by contacting John Hancock. You can also obtain additional information about the Plan by contacting John Hancock or by contacting the Plan Sponsor.

The Plan Sponsor also serves as the Plan Administrator and may be contacted at:

**ABC Corporation**  
**123 Main Street**  
**Nashville, Tennessee 37228**  
**Phone: 615-577-4584**  
**EIN: 88-0241758**

This Notice is not intended to, nor should you construe it as, modifying any aspect of the current Plan document or SPD.

**A fund's investment objectives, risks, charges and expenses should be considered carefully before investing. The prospectus contains this and other important information about the fund. To obtain a prospectus, contact John Hancock Retirement Plan Services, LLC at 800.294.3575 or visit our website at [mylife.jhrps.com](http://mylife.jhrps.com). Please read the prospectus carefully before investing or sending money; the fund's prospectus provides information regarding details for the applicable fee waivers. Prospectus may only be available in English.**

John Hancock Retirement Plan Services, LLC is also referred to as "John Hancock".

John Hancock Retirement Plan Services, LLC offers administrative or recordkeeping services to sponsors and administrators of retirement plans, as well as a platform of investment alternatives that is made available without regard to the individualized needs of any plan. Unless otherwise specifically stated in writing, John Hancock Retirement Plan Services, LLC does not, and is not undertaking to, provide impartial investment advice or give advice in a fiduciary capacity. John Hancock Trust Company LLC provides trust and custodial services to such plans.

JH Enterprise® is a registered trademark of John Hancock Life Insurance Company (U.S.A.).

NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED

*All required notices are also located on Athena on the HR page under the Benefits section.*

# Contacts

BENEFIT	CONTACT	PHONE NUMBER	WEBSITE/E-MAIL	MOBILE APP
Medical & Dental	Cigna	800-244-6224	<a href="http://www.cigna.com">www.cigna.com</a>	myCigna
Vision	Cigna (VSP)	877-478-7557	<a href="http://www.cigna.com">www.cigna.com</a>	myCigna
Health Savings Account (HSA) & Flexible Spending Accounts (FSA)	Discovery Benefits	866-451-3399	<a href="http://www.discoverybenefits.com">www.discoverybenefits.com</a>	Discovery Benefits Mobile
Life and AD&D Insurance	Lincoln Financial	855-891-3684	<a href="http://www.lincoln4benefits.com">www.lincoln4benefits.com</a>	
Short- and Long-Term Disability	Lincoln Financial	866-783-2255	<a href="http://www.lincoln4benefits.com">www.lincoln4benefits.com</a>	
401(k)	John Hancock Retirement Plan Service	800-294-3575	<a href="http://www.mylife.jhrps.com">www.mylife.jhrps.com</a>	MyLifeNow
401(k) Advisors	A.P. Lubrano & Company, Inc. (APL)	866-342-5275 ext. 401	<a href="mailto:401k@apladvisors.com">401k@apladvisors.com</a>	
Employee Assistance Program (EAP)	Aetna Resources for Living	888-238-6232	<a href="http://www.mylifevalues.com">www.mylifevalues.com</a>	Aetna Resources for Living

This benefit summary provides selected highlights of the ABC Corporation team member benefits program. It is not a legal document and shall not be construed as a guarantee of benefits nor of continued employment at the Company. All benefit Plans are governed by master policies, contracts and Plan documents. Any discrepancies between any information provided through this summary and the actual terms of the policies, contracts and Plan documents are governed by the terms of these policies, contracts and Plan documents. ABC Corporation reserves the right to amend, suspend or terminate any benefit Plan, in whole or in part, at any time. The Plan Administrator has the authority to make these changes.

# Telehealth powered by AMWell andMDLIVE

Physicians On Demand 24/7

Telehealth is an easy, convenient way to get care. With AmWell and MDLIVE, you can talk to a doctor from your home, office, or on the go – 24 hours a day, seven days a week. Whether by phone or secure video, a board-certified physician can consult with you to treat non-emergency conditions. That same physician can write a non-narcotic prescription to a pharmacy near you.

Common conditions treated by AmWell and MDLIVE:

- Allergies
- Cold and flu
- Fever
- Sinus and Respiratory Infections
- Sore throat
- Skin infections (rashes and insect bites)
- Urinary tract infections
- Behavioral Health

**Remember to call 911 in all emergency situations!**

How to Register:

- Visit [AMWellforCigna.com](http://AMWellforCigna.com) or [MDLIVEforCigna.com](http://MDLIVEforCigna.com) to register or log in to for either telehealth service
- Or call 855-667-9722 for AMWell or 888-726-3171 for MDLIVE

How It Works:

- You will complete and confirm medical history for yourself or dependent (this can be completed before consultation)
- Request a consultation with physician via phone or video
- Stand by for a doctor to contact you for your consultation

Why AMWell and MDLive Makes a Difference:

- Using Telehealth saves an average of \$140 per visit



## DO YOURSELF A FAVOR

GET YOUR PREVENTIVE CARE



Put yourself first and get a preventive exam. It can identify your health risks and help to protect you from a health condition or serious illness. It can help determine if you are at risk for specific diseases – like diabetes or a heart condition – based on your family history, pre-existing conditions, tobacco use or other lifestyle behaviors.

- When did you last check your blood pressure?
- Do you need a colon cancer screening?
- Are you aware of important adult immunizations?

- Have you had a mammogram or bone density test?
- Do you know the latest recommendations for prostate cancer screening?

About 70 percent of chronic health conditions can be prevented. Treat yourself to a healthier body and a longer life. Schedule a preventive exam today.

A complete schedule of recommended preventive exams, screenings and tests for adults and children is available on your member website ([mycigna.com](http://mycigna.com)). For more information, talk to your primary care provider or call 1-866-494-2111.

Client logo

## **Appendix C: Sample of Employee Benefits Renewal (25 pages)**

***Client Size 550 employees***

- **Marketing**
- **Marketing Results**
- **Carrier Recommendations**
- **Total Spend**
- **Employer / Employee Contribution Rates**
- **Final Renewal Timeline**
- **Communication Strategy**



# I. Summary of Coverages

Coverage	Coverage Provider	Funding Arrangement	Contract Expiration
Medical and Rx – HRA, HSA, \$600	XXXX	Self-Funded	12/31/2019
Stop Loss	XXXX	PEPM	08/31/2017
Medical and Rx – HMO Hawaii	XXXX	Fully-Insured	12/31/2017
Executive Medical	XXXX		12/31/2017
Executive IDI	XXXX		12/31/2018
Executive LTD	XXXX		12/31/2018
Executive LTC	XXXX		12/31/2017
Dental	XXXX	Fully-Insured	12/31/2018
Vision	XXXX	Fully-Insured	12/31/2018
Business Travel Accident / AD&D	XXXX		12/31/2019
Life/AD&D	XXXX	Fully-Insured	12/31/2017
Long Term Disability (LTD)	XXXX	Fully-Insured	12/31/2017
Short Term Disability (STD)	XXXX	Fully-Insured	12/31/2017
COBRA and FSA	XXXX	PEPM	12/31/2019
Employee Assistance Program (EAP)	XXXX	PEPM	12/31/2019
Wellness Program	XXXX	PEPM	03/31/2018

FMLA is administered in-house and centralized in XXXXXXXXXX.

## II. 2018 Renewal Review

### XXXX Medical and Prescription Drug

#### Current ASO Fee

- Medical - \$XX
- HRA - \$XX
- HSA - \$XX
- Rate Guarantee through 12/31/2019 ; \$50k wellness fund for 2018

#### XXX 2018 Opportunities

- Convert to a Mandatory XXX “90Now” Benefit
  - 90 day prescriptions filled at retail pharmacies or through XXXX
  - XXX estimated savings = XXX
  - Sam's Club Pharmacies recently removed from network
- Value Prescription Drug List
  - Formulary which promotes the use of generic medications; removes certain brand name drugs
  - XXXX estimated savings = ~ XXX; XXX members impacted
- Convert to “Mandatory Generics” from “Member Pay Difference” Logic
  - XXX estimated savings = ~ XXXX; 11 members impacted

## II. 2018 Renewal Review

### XXX Stop Loss

Current Rates for \$200k specific deductible and aggregate coverage on a paid contract basis

- Specific Composite - \$XXX
- Aggregate - \$XXX
- Rate Guarantee through 8/31/2017

### Renewal Rates

- Specific Composite - \$XXX (7% increase)
- Aggregate - \$XXX (3% increase)

### Medical Contributions

- Review employee contributions — ensure ACA affordability

## II. 2018 Renewal Review

### **XXX Medical HMO Hawaii**

- Employee Only (per month) - \$XXX
- Employee + Spouse - \$XXX
- Employee + Child(ren) - \$XXX
- Family- \$XXX

**XXX renewal expected by October 2017**

### **XXX Executive Medical**

- Employee Only - \$XXX
- Employee + Spouse - \$XXX
- Employee + Child(ren) - \$XXX
- Family - \$XXX

**XXX renewal expected by November 2017**

## II. 2018 Renewal Review

### XXXX Dental

#### Current Rates (2017)

- Employee Only - \$XXX
- Employee + Spouse - \$XXX
- Employee + Child(ren) - \$XXX
- Family - \$XXX

Current contract called for 3% rate increase effective 1/01/2018. WTW requested a rate hold on behalf of XXX and XXX agreed to extend current rates through 12/31/2018.

### XXX Vision

- Employee Only - \$XXX
- Employee + Spouse - \$XXX
- Employee + Child(ren) - \$XXX
- Family - \$XXX

Rate guarantee through 12/31/2018. XXX offered plan enhancements at current rates with 3 year rate guarantee:

- Increase in frame allowance from \$120 to \$140
- Increase in contact lens allowance from \$135 to \$140
- Retinal imaging discount up to \$39
- Hearing care discount through XXX

## II. 2018 Renewal Review

**XXX**

**FSA**

- \$XXX per account enrolled employee per month; Rate guarantee through 12/31/2019

**COBRA**

- Various charges; rate guarantee through 12/31/2019

**XXX (Renewal to be provided by 08.18.17) Current**

- Basic Life (per \$1,000 of benefit) \$XXX
- Voluntary Life – EE (per \$1,000 of benefit)
  - LT 25 \$0.06
  - 25-29 \$0.06
  - 30-34 \$0.08
  - 35-39 \$0.10
  - 40-44 \$0.13
  - 45-49 \$0.19
  - 50-54 \$0.31
  - 55-59 \$0.54
  - 60-64 \$0.76
  - 65-69 \$1.43
  - 70-74 \$2.32
  - 75+ \$2.32

## II. 2018 Renewal Review

XXX (Renewal to be provided by 08.18.17)

### Current

➤ Voluntary Life – Spouse (per \$1,000 of benefit)	
➤ LT 25	\$0.05
➤ 25-29	\$0.06
➤ 30-34	\$0.08
➤ 35-39	\$0.09
➤ 40-44	\$0.11
➤ 45-49	\$0.16
➤ 50-54	\$0.28
➤ 55-59	\$0.44
➤ 60-64	\$0.77
➤ 65-69	\$1.34
➤ 70+	\$2.06
➤ Voluntary Life – Child (per \$1,000 of benefit)	\$0.13

## II. 2018 Renewal Review

XXX (Renewal to be provided by 08.18.17)

	Current
➤ STD (per \$100 CMP)	\$0.74
➤ LTD – Core Class 1 / 2 (per \$100 of covered payroll)	\$0.110
➤ LTD – Buy-Up Class 1 Admin (per \$100 of covered payroll)	
➤ > 40	\$0.117
➤ 40-49	\$0.102
➤ 50-59	\$0.131
➤ 60 +	\$0.146
➤ LTD – Buy-Up Class 2 Sales (per \$100 of covered payroll)	
➤ > 30	\$0.226
➤ 30-39	\$0.277
➤ 40-49	\$0.292
➤ 50-59	\$0.482
➤ 60+	\$1.080



### III. 2018 Marketing Review

- **Stop Loss**

- WTW Panel carriers include: XX
- Outside carriers include: XX
- Received proposals from XX

- **Life, Disability and FMLA**

- Based on group size, our absence management practice recommended the following carriers:
  - XX
  - Received proposal from XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

# III. 2018 Marketing Review – Stop Loss (12 months)

XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

09.01.16 Rates	09.01.17 Proposal	09.01.17 Proposal	09.01.17 Proposal
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

09.01.16 Rates	09.01.17 Proposal	09.01.17 Proposal	09.01.17 Proposal
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

### III. 2018 Marketing Review – Stop Loss (16 months)

<b>XXXX - XXXX - 16 Month Policy Stop Loss Contract</b>						
<b>\$200k Spec Employee</b>	<b>Enrollment</b>	<b>XXX Current 09.01.16 Rates</b>	<b>XXX 09.01.17 - 12.31.17 Proposal</b>	<b>XXX 01.01.18 - 12.31.18 Proposal</b>	<b>XXX 16 MonthTotal</b>	
Single Rate	214	\$0.00	\$0.00	\$0.00		
Family Rate	248	\$0.00	\$0.00	\$0.00		
Composite Rate	462	\$0.00	\$0.00	\$0.00		
Aggregate Corridor		\$0.00	\$0.00	\$0.00		
Total		\$0.00	\$0.00	\$0.00		
Annual Premium		\$0	\$0	\$0		\$0
Increase from Renewal						
<i>ISL PEPM ONLY Increase from Current</i>						#DIV/0!
<i>ASL PEPM ONLY Increase from Current</i>						#DIV/0!
<i>Aggregate PEPM ONLY Increase from Current</i>						#DIV/0!

### III. 2018 Marketing Review – Basic Life (Executives)

Basic Life Benefits	XXX		XXX	
	Current		Proposed	
Eligibility	All Employees Classified as Executive		All Employees Classified as Executive	
Employee Benefit Amount	2.5x of annual earnings plus \$50,000		2.5x of annual earnings plus \$50,000	
Benefit Amount	2.5x of annual earnings plus \$50,000		2.5x of annual earnings plus \$50,000	
Maximum Amount	\$1,000,000		\$1,000,000	
Non-Medical Limit	\$800,000		\$800,000	
Reduction Schedule	Percentage	Age	Percentage	Age
	65%	70	65%	70
	45%	75	45%	75
	30%	80	30%	80
	15%	85 or more	15%	85
	Terminate	Retirement	Terminate	Retirement
Waiver of Premium	Included		Included	
Terminal Illness	90% up to \$500,000		90% up to \$500,000	
Conversion	Included		Included	
Rates Per \$1,000	XXX		XXX	
	Current	Renewal	Proposed	
Life	\$0.000	\$0.000	\$0.000	
Volume			\$0	
Monthly Total	\$0	\$0	\$0	
Annual Total	\$0	\$0	\$0	
Percentage Increase from Current	#DIV/0!		#DIV/0!	
Rate Guarantee	2 years		2 years; 3 years if XXX remains in force for 2018	

### III. 2018 Marketing Review – Basic Life (Admin & Sales)

Basic Life Benefits	XXX		XXX	
	Current		Proposed	
Eligibility	All Full Time Administrative Employees or Sales Representatives		All Full Time Administrative Employees or Sales Representatives	
Employee Benefit Amount	All Full Time Administrative Employees or Sales Representatives: 1x annual salary to \$50,000 maximum		All Full Time Administrative Employees or Sales Representatives: 1x annual salary to \$50,000 maximum	
	All Full Time New Hire Sales Representatives: \$25,000		All Full Time New Hire Sales Representatives: \$25,000	
Reduction Schedule	Percentage	Age	Percentage	Age
	65%	70	65%	70
	45%	75	45%	75
	30%	80	30%	80
	15%	85 and more	15%	85
	Terminate	Retirement	Terminate	Retirement
Waiver of Premium	Included		Included	
Terminal Illness	90% up to \$500,000		90% up to \$500,000	
Conversion	Included		Included	
Portability	Included		Included	
Rates Per \$1,000	XXX		XXX	
	Current	Renewal	Proposed	
Life	\$0.000	\$0.000	\$0.000	
Volume			\$0	
Monthly Total	\$0	\$0	\$0	
Annual Total	\$0	\$0	\$0	
Percentage Increase from Current	#DIV/0!		#DIV/0!	
Rate Guarantee	2 years		2 years; 3 years if XXX remains in force for 2018	

### III. 2018 Marketing Review – Voluntary Life

Voluntary Life Benefits	XXX Current		XXX Option 1	
	All Full Time Employees		All Full Time Employees	
<b>Eligibility</b>	All Full Time Employees		All Full Time Employees	
<b>Employee Benefit Amount</b>	5x annual earnings, in increments of \$10,000		5x annual earnings, in increments of \$10,000	
Maximum Benefit	\$500,000		\$500,000	
Guarantee Issue	\$300,000		\$300,000	
<b>Spouse Benefit Amount</b>	Increments of \$5,000 to \$250,000 maximum, not to exceed 50% of employee life amount		Increments of \$5,000 to \$250,000 maximum, not to exceed 50% of employee life amount	
Guarantee Issue	\$50,000		\$50,000	
<b>Child Benefit Amount</b>	Increments of \$5,000 to \$10,000		Increments of \$5,000 to \$10,000	
<b>Accidental Death &amp; Dismemberment Benefit</b>	N/A		N/A	
<b>Reduction Schedule</b>	Percentage	Age	Percentage	Age
	65%	70	65%	70
	45%	75	45%	75
	30%	80	30%	80
	15%	85 or more	15%	85
	Terminate	Retirement	Terminate	Retirement
<b>Waiver of Premium</b>	Included		Included	
<b>Terminal Illness</b>	90% up to \$500,000		90% up to \$500,000	
<b>Conversion</b>	Included		Included	
<b>Portability</b>	Included		Included	
<b>Participation Requirement</b>	Current		30%	

### III. 2018 Marketing Review – Voluntary Life Rates

Rates per \$1,000	XXX		XXX	
	Current & Renewal EE	Current & Renewal Spouse	Proposed EE	Proposed Spouse
<i>Under 25</i>	\$0.06	\$0.05	\$0.06	\$0.05
<i>25-29</i>	\$0.06	\$0.06	\$0.06	\$0.06
<i>30-34</i>	\$0.08	\$0.08	\$0.08	\$0.08
<i>35-39</i>	\$0.10	\$0.09	\$0.10	\$0.09
<i>40-44</i>	\$0.13	\$0.11	\$0.13	\$0.11
<i>45-49</i>	\$0.19	\$0.16	\$0.19	\$0.16
<i>50-54</i>	\$0.31	\$0.28	\$0.31	\$0.28
<i>55-59</i>	\$0.54	\$0.44	\$0.54	\$0.44
<i>60-64</i>	\$0.76	\$0.77	\$0.76	\$0.77
<i>65-69</i>	\$1.43	\$1.34	\$1.43	\$1.34
<i>70-74</i>	\$2.32	\$2.06	\$2.32	\$2.06
<i>75 +</i>	\$2.32	\$2.06	\$2.32	\$2.06
<b>Child</b>		\$0.13		\$0.13
<b>Rate Guarantee</b>	<b>2 years</b>		<b>2 years; 3 years if XXX remains in force for 2018</b>	

### III. 2018 Marketing Review – Employer Paid Short Term Disability

Short Term Disability Benefits	XXX Current	XXX Proposed	
Eligibility	All Full Time Administrative Employees and Sales Representatives	All Full Time Administrative Employees and Sales Representatives	
Elimination Period			
<i>Accident</i>	14 Days	14 Days	
<i>Sickness</i>	14 Days	14 Days	
Benefit Percentage	60%	60%	
Benefit Maximum	\$1,385	\$1,385	
Benefit Duration	24 Weeks	24 Weeks	
Rates Per \$100	Current	XXX Renewal	XXX Proposed
STD Rate	\$0.00	\$0.00	\$0.00
<i>Monthly Covered Payroll</i>			\$0
Monthly Total	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0
Percentage Increase from Current		#DIV/0!	#DIV/0!
Rate Guarantee		2 years	2 years; 3 years if XXX remains in force for 2018



### III. 2018 Marketing Review – Core LTD

Long Term Disability Benefits	XXX		XXX
	Current		Proposed
Eligibility	All Full Time Administrative Employees and Sales Representatives Administrative EEs: Wage/Salary Not Including Commissions, OT Pay and Bonuses Sales Reps: Wage/Salary Including Commissions, OT Pay and Bonuses		All Full Time Administrative Employees and Sales Representatives Administrative EEs: Wage/Salary Not Including Commissions, OT Pay and Bonuses Sales Reps: Wage/Salary Including Commissions, OT Pay and Bonuses
Definition of Earnings	Bonuses		Bonuses
Benefit Percentage	40%		40%
Benefit Maximum	\$4,000		\$4,000
Elimination Period	26 Weeks		26 Weeks
Own Occupation Period	24 Months		24 Months
Benefit Duration	SSNRA		SSNRA
Pre-Existing Condition Limits	3/12		3/12
Waiver of Premium	Included		Included
Integration	Family		Family
Mental & Nervous Limit	24 Months		24 Months
Alcohol & Drug Limit	24 Months		24 months
Survivor Benefit	3 Months Lump Sum		3 Months Lump Sum
Employee Assistance Program (5 face to face)	Not included		Included
Rates Per \$100	XXX		XXX
	Current	Renewal	Proposed
	\$0.000	\$0.000	\$0.000
Volume			\$0
Monthly Total	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0
Percentage Increase from Current		#DIV/0!	#DIV/0!

### III. 2018 Marketing Review – LTD Buy-Up Class 1

Long Term Disability Benefits	XXX		XXX
	Current Class 1		Option 1 - Class 1
Eligibility	All Full Time Administrative Employees		All Full Time Administrative Employees
Definition of Earnings	Wage/Salary Including Commissions, Overtime Pay and Bonuses		Wage/Salary Including Commissions, Overtime Pay and Bonuses
Benefit Percentage	60%		60%
Benefit Maximum	\$6,000		\$6,000
Elimination Period	26 Weeks		26 Weeks
Own Occupation Period	24 Months		24 Months
Benefit Duration	SSNRA		SSNRA
Pre-Existing Condition Limits	3/12		3/12
Waiver of Premium	Included		Included
Integration	Family		Family
Mental & Nervous Limit	24 Months		24 months
Alcohol & Drug Limit	24 Months		24 months
Survivor Benefit	3 Months Lump Sum		3 Months Lump Sum
Rates Per \$100	XXX		XXX
	Current Class 1	Renewal Class 1	Class 1
>40	\$0.000	\$0.000	\$0.000
40-49	\$0.000	\$0.000	\$0.000
50-59	\$0.000	\$0.000	\$0.000
60+	\$0.000	\$0.000	\$0.000
Monthly Covered Payroll			\$0
Monthly Total	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0
Percentage Increase from Current	0.0%		#DIV/0!
Rate Guarantee	2 years		2 years; 3 years if XXX remains in force for 2018

### III. 2018 Marketing Review – LTD Buy-Up Class 2

Long Term Disability Benefits	XXX Current Class 2		XXX Option 1 - Class 2
	Eligibility	All Full Time Sales Representatives	
Definition of Earnings	Wage/Salary Including Commissions, Overtime Pay and Bonuses		Wage/Salary Including Commissions, Overtime Pay and Bonuses
Benefit Percentage	60%		60%
Benefit Maximum	\$6,000		\$6,000
Elimination Period	26 Weeks		26 Weeks
Own Occupation Period	24 Months		24 Months
Benefit Duration	SSNRA		SSNRA
Pre-Existing Condition Limits	3/12		3/12
Waiver of Premium	Included		Included
Integration	Family		Family
Mental & Nervous Limit	24 Months		24 months
Alcohol & Drug Limit	24 Months		24 months
Survivor Benefit	3 Months Lump Sum		3 Months Lump Sum
Rates Per \$100	XXX Current Class 2      Renewal Class 2		XXX Class 2
	>30	\$0.000	\$0.000
30-39	\$0.000	\$0.000	\$0.000
40-49	\$0.000	\$0.000	\$0.000
50-59	\$0.000	\$0.000	\$0.000
60+	\$0.000	\$0.000	\$0.000
Monthly Covered Payroll			\$0
Monthly Total	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0
Percentage Increase from Current	0.0%		#DIV/0!
Rate Guarantee	2 years		2 years; 3 years if XXX remains in force for 2018

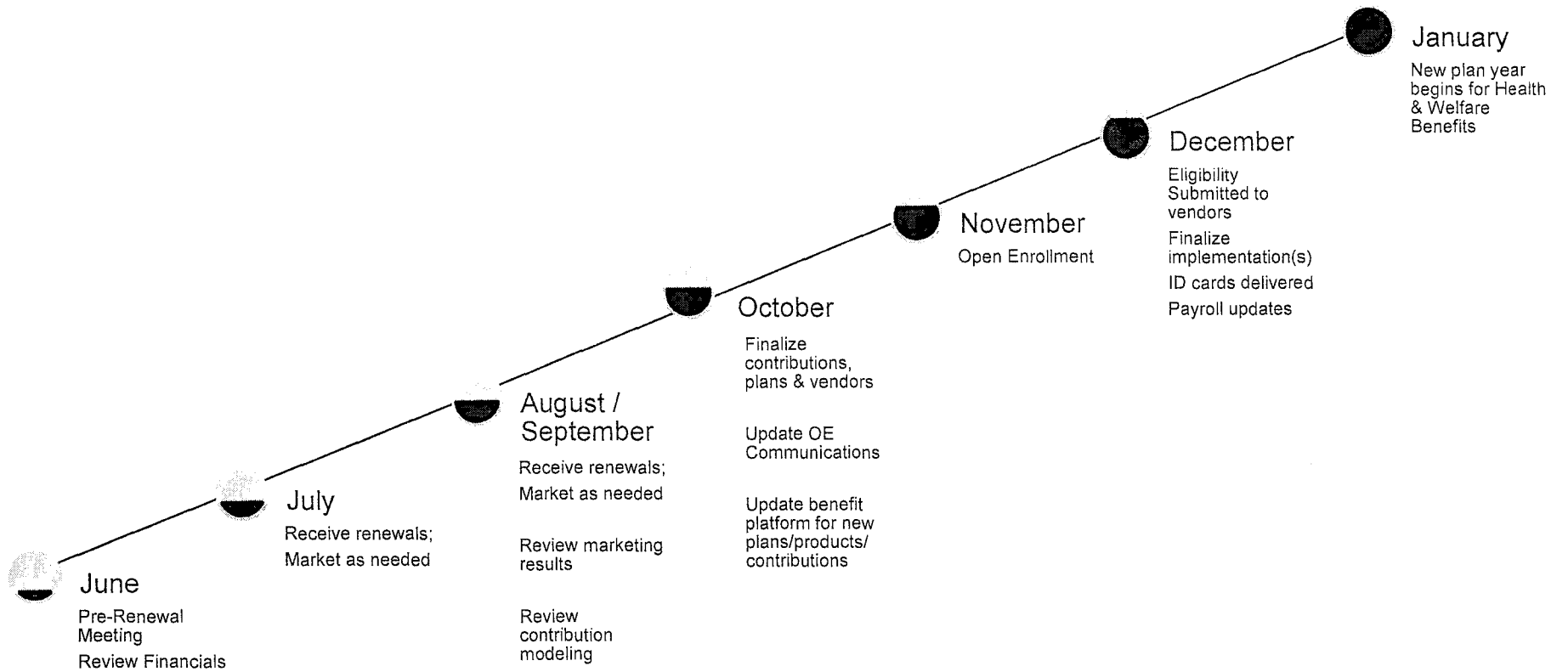
### III. 2018 Employer Paid Life and Disability Marketing Overview

Annual Total	\$0	\$0	\$0	\$0	\$0
Percent Increase from Current		#DIV/0!			-8.7%
<b>Admin/Sales Basic Life</b>	<b>XXX</b>	<b>XXX</b>		<b>XXX</b>	<b>Savings through</b>
<b>Rates per \$1,000</b>	<b>Current</b>	<b>Renewal</b>	<b>Savings through XXX</b>	<b>Option 1</b>	<b>XXX</b>
Life Rate	\$0.000	\$0.000		\$0.000	
Monthly Total	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0
Percent Increase from Current		#DIV/0!			-8.7%
<b>Admin/Sales STD</b>	<b>XXX</b>	<b>XXX</b>		<b>XXX</b>	<b>Savings through</b>
<b>Rates Per \$100</b>	<b>Current</b>	<b>Renewal</b>	<b>Savings through XXX</b>	<b>Option 1</b>	<b>XXX</b>
STD Rate	\$0.000	\$0.000		\$0.000	
Monthly Total	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0
Percent Increase from Current		#DIV/0!			-2.7%
<b>Admin/Sales Core LTD</b>	<b>XXX</b>	<b>XXX</b>		<b>XXX</b>	<b>Savings through</b>
<b>Rates Per \$100</b>	<b>Current</b>	<b>Renewal</b>	<b>Savings through XXX</b>	<b>Option 1</b>	<b>XXX</b>
LTD Core Rate	\$0.000	\$0.000		\$0.000	
Monthly Total	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0
Percent Increase from Current		#DIV/0!			0.0%
		<b>Total Annual SAVINGS</b>	<b>\$0</b>	<b>Total Annual SAVINGS</b>	<b>\$0</b>

### III. 2018 Marketing Review – Absence Services / FMLA Administration

Eligible Employees	565	565
Ongoing Fee (PEPM)	\$0.00	\$0.00
Tracking of Military Leave (PEPM)	Included in Core Rate	Included in Core Rate
Tracking of Jury Duty (PEPM)		
Tracking of Bereavement Leave (PEPM)		
Tracking of non-FMLA Leaves (PEPM)		
Monthly FML / Leaves Total	\$0	\$0
ADA (PEPM)	\$0.00	\$0.00
Monthly ADA Total	\$0	\$0
Monthly FML / Leave / ADA Total	\$0	\$0
Annual FML / Leave / ADA Total	\$0.00	\$0.00
Implementation Fee (one time charge)	\$0	\$0
Take-over Claims	N/A, Clean slate on effective date	\$50 per leave
Implementation Total (one-time charge)	\$0	\$0
Total Year 1 Costs	\$0	\$0
Fee Guarantee	2 Years	3 Years

# Proposed Renewal Calendar - XXX



## IV. Current XXX Medical-Rx Plan Designs

PLAN DESIGN	XXXX- HRA	XXXX - HSA	XXXX Plan
Office Visit (PCP)	20% *	20% *	\$25 Co-pay
Office Visit (Specialist)	20% *	20% *	\$50 Co-pay
Preventive Care	No charge	No charge	No charge
Calendar Year Deductible			
Individual	\$1,250	\$2,000	\$600
Plus One (you + spouse <b>or</b> you + child)	\$2,500	\$4,000	\$1,200
Family (you + children <b>or</b> family)	\$3,750	\$4,000	\$1,800
Health Reimbursement Account (HRA) or Health Savings Account (HSA) (funded by XXX)	\$500 Single \$1,000 Plus One \$1,000 Family	\$500 Single \$1,000 Plus One \$1,000 Family	N/A
Annual Aggregating Out-of-Pocket Maximum (includes deductible and co-pays)			
Individual	\$3,250	\$3,500	\$3,100
Plus One (you + spouse <b>or</b> you + child)	\$6,500	\$6,550	\$6,200
Family (you + children <b>or</b> family)	\$9,750	\$6,550	\$9,300
Emergency Room	20% <i>True emergency</i> *	20% <i>True emergency</i> *	\$200 Co-pay ***
Urgent Care	20% *	20% *	\$75 Co-pay
Inpatient Hospital	20% *	20% *	\$200 Co-pay + 20% *
Outpatient Facility Services/Outpatient Care	20% *	20% *	20% *
Chiropractic Services	20% In-network*	20% In-network*	\$50 Co-pay
Laboratory & Radiology			
-Physician's Office	20% *	20% *	\$25 or \$50 co-pay
-Outpatient Hospital facility	20% *	20% *	20% *
-Independent Lab/Radiology facility	20% *	20% *	20% *
Retail Prescription			
Generic	\$10	20% In-network*	\$10
Brand Preferred	\$35	20% In-network*	\$35
Brand Non-Preferred	\$60	20% In-network*	\$60
Specialty	40% (up to \$100)	20% In-network* (up to \$100)	40% (up to \$100)
Mail Order Prescription **			
Generic	\$20	20% In-network*	\$20
Brand Preferred	\$70	20% In-network*	\$70
Brand Non-Preferred	\$120	20% In-network*	\$120
Specialty	40% (up to \$200)	20% In-network* (up to \$200)	40% (up to \$200)

\* Services are subject to calendar year deductible.

\*\* 90 Day Supply

\*\*\*Waived if admitted

## IV. 2018 Proposed Medical Plan Change Values

<b>Benefit Change</b>	<b>Cost/Savings</b>
PPO Plan- Increase deductible from \$600 to \$750	<b>\$14,004 (-1.49%)</b>
PPO Plan – Increase office visit from \$25/\$50 to \$30/\$60	<b>\$7,425 (-0.79%)</b>
PPO Plan – Increase Rx copay's from \$10/\$35/\$60 to \$15/\$50/\$75	<b>\$6,485 (-0.69%)</b>
PPO Plan – Increase ER Copay from \$200 to \$250	<b>\$1,973 (-0.21%)</b>
H.S.A. Plan – Increase deductible from \$2,000 to \$3,000	<b>\$37,107 (-1.53%)</b>
H.R.A. Plan – Increase deductible from \$1,250 to \$1,500	<b>\$57,937 (-1.81%)</b>
H.R.A. Plan – Increase Rx copay's from \$10/\$35/\$60 to \$15/\$50/\$75	<b>\$24,967 (-0.78%)</b>



# IV. 2018 Proposed Rates and Contributions

## 2017 PPO Plan

Current Rates					
	Enrollment	Total Monthly	EE Monthly Cost	ER Monthly Cost	ER % Paid
Employee	42	\$812.23	\$248.00	\$564.23	69.5%
Employee + Spouse	6	\$2,030.68	\$867.00	\$1,163.56	57.3%
Employee + Child(ren)	10	\$1,462.00	\$594.00	\$868.00	59.4%
Employee + Family	8	\$2,720.95	\$1,115.00	\$1,605.95	59.0%
Annualized	66	\$992,215.44	\$365,736.00	\$626,479.44	

## 2018 Rate Increase PPO Plan

Renewal Rates						
	Enrollment	Total Monthly	EE Monthly Cost	EE Increase / Mo	ER Monthly Cost	ER % Paid
Employee	42	\$862.84	\$260.12	\$12.12	\$592.72	69.5%
Employee + Spouse	6	\$2,132.09	\$910.40	\$43.40	\$1,221.69	57.3%
Employee + Child(ren)	10	\$1,635.10	\$623.25	\$29.25	\$911.85	59.4%
Employee + Family	8	\$2,857.00	\$1,171.37	\$56.37	\$1,685.63	59.0%
Annualized	66	\$1,041,826.21	\$383,889.20		\$657,937.01	

## 2017 HRA Plan

Current Rates					
	Enrollment	Total Monthly	EE Monthly Cost	ER Monthly Cost	ER % Paid
Employee	96	\$642.21	\$139.00	\$503.21	78.4%
Employee + Spouse	36	\$1,605.60	\$476.00	\$1,129.50	70.4%
Employee + Child(ren)	40	\$1,155.98	\$333.00	\$822.96	71.2%
Employee + Family	52	\$2,151.37	\$595.00	\$1,556.37	72.3%
Annualized	224	\$3,330,717.60	\$896,880.00	\$2,433,837.60	

## 2018 Rate Increase HRA Plan

Renewal Rates						
	Enrollment	Total Monthly	EE Monthly Cost	EE Increase / Mo	ER Monthly Cost	ER % Paid
Employee	96	\$674.32	\$145.65	\$6.65	\$528.67	78.4%
Employee + Spouse	36	\$1,685.78	\$498.99	\$22.99	\$1,186.79	70.4%
Employee + Child(ren)	40	\$1,213.76	\$349.56	\$16.56	\$864.20	71.2%
Employee + Family	52	\$2,258.94	\$625.73	\$30.73	\$1,633.21	72.3%
Annualized	224	\$3,497,253.48	\$941,598.85		\$2,555,654.63	

## 2017 H.S.A. Plan

Current Rates					
	Enrollment	Total Monthly	EE Monthly Cost	ER Monthly Cost	ER % Paid
Employee	70	\$529.18	\$93.00	\$436.18	82.4%
Employee + Spouse	25	\$1,322.93	\$390.00	\$932.93	70.5%
Employee + Child(ren)	19	\$952.51	\$280.00	\$672.51	70.6%
Employee + Family	56	\$1,772.73	\$500.00	\$1,272.73	71.8%
Annualized	170	\$2,249,837.04	\$594,960.00	\$1,654,877.04	

## 2018 Rate Increase H.S.A. Plan

Renewal Rates						
	Enrollment	Total Monthly	EE Monthly Cost	EE Increase / Mo	ER Monthly Cost	ER % Paid
Employee	70	\$555.64	\$97.79	\$4.79	\$457.85	82.4%
Employee + Spouse	25	\$1,389.08	\$409.78	\$19.78	\$979.30	70.5%
Employee + Child(ren)	19	\$1,000.14	\$294.04	\$14.04	\$706.10	70.6%
Employee + Family	56	\$1,861.37	\$524.91	\$24.91	\$1,336.46	71.8%
Annualized	170	\$2,362,328.89	\$624,856.42		\$1,737,472.47	

Total					
	Enrollment	Total Monthly	EE Monthly Cost	ER Monthly Cost	ER % Paid
Claims/Admin/Stop Loss	460	\$6,572,770.08	\$1,857,576.00	\$4,715,194.08	71.7%
Projected Cost Change by (Total / Employee / Employer)			5.0%	5.0%	5.0%

## Appendix E: Compliance Academy

### Willis Towers Watson Compliance Academy 2018 Schedule



Month	Date	Course	Title	Hosts
January	10	SPECIAL SESSION	Legal Updates, First Quarter, 2018	Nicole Kelogieropoulos Jessica Jennings
January	17	ACA 102	Understanding & Administering Employer Reporting Obligations under ACA	Mark Voelpe Kam Keama
January	31	FMLA 101	Understanding the Interplay Between the FMLA and the ADA	Manna Galstro Daniel Margolia
February	14	ACA 101	Regulatory Risk Reduction for Administration of the Affordable Care Act's Employer Mandate	Tera Silver-Malyska Emily Stutta
February	28	FMLA 102	Navigating the Leave of Absence Maze: California Edition – Let's TALK About FMLA, CFRA & PDL	Manna Galstro Leann Hoare
March	14	HIPAA 101	Fundamentals of the Privacy Rule	Krist Gauthier Mike Hesa
March	21	FMLA 103	Navigating the Leave of Absence Maze: State Law Update Edition	Manna Galstro Daniel Margolia
April	11	SPECIAL SESSION	Legal Updates, Second Quarter, 2018	Jessica Jennings Rebecca Lawrence
April	18	ERISA 104	The Employer's Guide to Understanding Cafeteria Plan Administration	Maureen Gammon Came Fice

Willis Towers Watson 

## Willis Towers Watson Compliance Academy 2018 Schedule

Month	Date	Course	Title	Hosts
May	23	FMLA 104	Understanding Military Leave Requests and How to Manage Them	Manna Galstro Lesnn Hoene
June	13	MHPAEA 101	An Introduction to the Mental Health Parity & Addiction Equity Act	Zack Hoffmann-Richards Matthew McKinney
July	11	SPECIAL SESSION	Legal Updates, Third Quarter, 2018	Knab Gauthier Jeremy Stone
July	18	HIPAA 102	Fundamentals of the Security Rule	Jason N. Sheffield Matt Tokarsky
August	8	HIPAA 104	Fundamentals of the Breach Notification Rule and the HITECH Amendments	Jason N. Sheffield Camee Rice
August	22	FMLA 101	Understanding the Interplay Between the FMLA and the ADA	Manna Galstro Daniel Margolis
September	12	ERISA 107	Special Circumstances & Compliance Hurdles for Minor Children and Adult Dependents Participating in Tax-qualified Health & Welfare Plans	Tsra Silver-Matyeka Keri Kearns
September	19	ACA 103	The Changing Face of Human Capital: Understanding & Administering an Intergenerational Approach to Total Rewards	Shanna Cramer Keya McDaniel
September	26	FMLA 102	Navigating the Leave of Absence Maze: California Edition – Let's Talk About FMLA, CFRA & PDL	Manna Galstro Lesnn Hoene
October	10	SPECIAL SESSION	Legal Updates, Fourth Quarter, 2018	Matthew McKinney Emily Stuts
October	17	ERISA 101	Introduction to ERISA Reporting & Plan Document Requirements	Rebecca Lawrence Mike Hess
November	7	FMLA 103	Navigating the Leave of Absence Maze: State Law Update Edition	Manna Galstro Daniel Margolis
November	14	ERISA 106	Value-Added Benefits: Route to Smooth Gating with Telemedicine, On-Site Clinics, and Well-Being Program Compliance	Nicole Kslogaropoulos Keya McDaniel
November	28	HIPAA 103	Incentivizing a Healthy Workforce: Implementing a HIPAA, GINA and ADA Compliant Wellness Program	Shanna Cramer Keya McDaniel
December	12	ERISA 105	Understanding the Implications of Employee Benefits in Mergers & Acquisitions	Mark Voelper Zack Hoffmann-Richards

**Affidavit of Non-Collusion**

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the **City of Franklin, Tennessee**

State of Tennessee )  
County of Davidson ) SS

Affiant, Lou Diaz, deposes and makes oath that:  
(printed name of person signing Affidavit)

1. He or she is the Nashville Brokerage & Advisory Market Leader of  
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)  
Willis Towers Watson  
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;


- 2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
- 3. Such bid or proposal is genuine and is not a collusive or sham bid or proposal;
- 4. Neither the said Bidder or Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this Affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any official or agent of the City of Franklin or with any other firm, person, or potential or actual bidder or proposer to submit a collusive or sham bid or proposal in connection with the contract for which the attached bid or proposal has been submitted, or to refrain from bidding or proposing indirectly, or sought by agreement, or collusion, or communication, or conference with any other firm, person, or potential or actual bidder or proposer to fix the price or prices or cost element of the bid, quoted or proposed price or the bid, quoted or proposed price of any other potential or actual bidder or proposer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Franklin or any person interested in the proposed contract;
- 5. The price or prices quoted in the attached bid or proposal are fair and proper and are not tainted by a collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this Affiant; and
- 6. He or she understands that Article VIII, Section 16, of the City Charter of Franklin, and T.C.A. §6-54-107, prohibit any member of the Board of Mayor and Aldermen, or officer elected by said Board, from being interested in any contract, or work of any kind whatever, under its control and direction, and any contract in which any such person shall have an interest shall be void and unenforceable, subjecting any funds received by contractor to be returned in full to the City, in addition to any other penalties provided by law

[Signature]  
(signature of Affiant)

Nashville Brokerage & Advisory Market Leader  
(title of Affiant)

Sworn and subscribed to before me this 4<sup>th</sup> day of May, 2019

[Signature]  
(Notary Public)

My Commission Expires: 9-6-22  


# Affidavit of Title VI Compliance

a form required of Bidders and Proposers on purchases of services for the

## City of Franklin, Tennessee

State of Tennessee )

County of Davidson ) SS

Affiant, Lou Diaz, deposes and makes oath that:  
(printed name of person signing Affidavit)

1. He or she is the Nashville Brokerage & Advisory Market Leader of  
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)  
Willis Towers Watson,  
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin or any other class protected by federal and/or Tennessee constitutional, statutory and/or case law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in, the performance of the contract that results from the procurement solicitation to which this affidavit is a component, or in the employment practices of the successful Bidder or Proposer during the performance of the contract that results from said procurement solicitation;
4. The successful Bidder or Proposer shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and job applicants, notices of such non-discrimination;
5. If, with the prior consent of the City, the successful Bidder or Proposer subcontracts any portion of the contract that results from the procurement solicitation to which this affidavit is a component, then the successful Bidder or Proposer shall contractually obligate all of its subcontractors for said contract to comply with the same non-discrimination provisions as those required of the successful Bidder or Proposer; and
6. This Affidavit is made on personal knowledge.

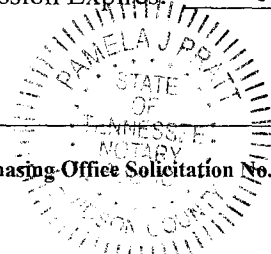
[Signature]  
(signature of Affiant)

Nashville Brokerage & Advisory Market Leader  
(title of Affiant)

Sworn and subscribed to before me this 4<sup>th</sup> day of March, 2019

[Signature]  
(Notary Public)

My Commission Expires: 9-6-22



**Affidavit of Drug-Free Workplace**  
a form required of Bidders and Proposers on purchases of services for the  
**City of Franklin, Tennessee**

State of Tennessee )  
County of Davidson ) SS

Affiant, Lou Diaz, deposes and makes oath that:  
(printed name of person signing Affidavit)

1. He or she is the Nashville Brokerage & Advisory Market Leader of  
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)  
Willis Towers Watson  
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer entity employs no less than five (5) employees;
4. The Bidder or Proposer has in effect, at the time of submission of its bid or proposal to perform the services described in the attached bid or proposal, a drug-free workplace program that complies with T.C.A. § 50-9-101 et seq.;
5. The Bidder or Proposer operates a drug-free workplace program or other drug or alcohol testing program with requirements at least as stringent as that of the program operated by the City as described in the City's procurement solicitation; and
6. This Affidavit is made on personal knowledge.

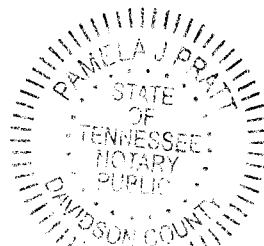
[Signature]  
(signature of Affiant)

Nashville Brokerage & Advisory Market Leader  
(title of Affiant)

Sworn and subscribed to before me this 4<sup>th</sup> day of March, 2019

[Signature]  
(Notary Public)

My Commission Expires: 9-6-22



# City of Franklin Notice of Confidentiality & Proprietary Rights

Purchasing Office Solicitation No.: 2019-007

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**THE CONTENTS OF THE CITY OF FRANKLIN, TENNESSEE PROCUREMENT AWARD MADE PURSUANT TO THE CITY'S PROCUREMENT SOLICITATION REFERENCED ABOVE, AND SOME OR ALL INFORMATION THAT MAY BE OBTAINED IN THE COURSE OF ITS PERFORMANCE, MAY INCLUDE HIGHLY CONFIDENTIAL INFORMATION THAT MAY SUBJECT ANYONE DISCLOSING SUCH INFORMATION TO CIVIL AND CRIMINAL PENALTIES IMPOSED BY LOCAL, STATE AND FEDERAL LAW.**

The successful Vendor must necessarily be granted access to public and private information that may be confidential under the Tennessee Open Records Law and other privacy laws.

## **CONFIDENTIAL INFORMATION**

As a result of the procurement award, the parties may provide each other with Confidential Information. For the purposes of this Notice, "Confidential Information" is any information disclosed or discovered in written, graphic, verbal, or machine-recognizable form, whether or not clearly marked, designated, labeled or identified as such. Notwithstanding any other provisions of this Notice, Confidential Information shall not include any information that:

1. is or becomes publicly known through no wrongful act of the receiving party;
2. is already known to the receiving party without restriction when it is disclosed;
3. is, or subsequently becomes, rightfully and without breach of this Notice, in the receiving party's possession without any obligation restricting disclosure;
4. is independently developed by the receiving party without breach of this Notice;
5. is explicitly approved for release by written authorization of the disclosing party; or
6. is required to be disclosed under state or federal law.

Each party agrees to:

1. maintain the confidentiality of the other party's Confidential Information and not disclose it to any third party, except as authorized by the disclosing party in writing or as required by state or federal law or by a court of competent jurisdiction;
2. restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce such Confidential Information;
3. take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing and requiring written acknowledgements from its employees who handle such Confidential Information that it is confidential and not to be disclosed to others, but such precautions shall be at least the same degree of care that the receiving party applies to its own confidential information and shall not be less than reasonable care; and
4. use such Confidential Information only in furtherance of the performance of this Notice.

# City of Franklin Notice of Confidentiality & Proprietary Rights

Purchasing Office Solicitation No.: 2019-007

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Confidential Information is and shall at all times remain the property of the disclosing party, and no grant of any proprietary rights in the Confidential Information is hereby given or intended, including any express or implied license, other than the limited right of the Vendor to use the Confidential Information in the manner and to the extent permitted by the scope of work. Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of Vendor's intentional, negligent, inadvertent or unintentional release of City documents or information.

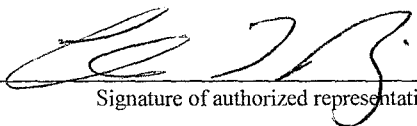
## PRESERVATION OF CITY'S PROPRIETARY RIGHTS, RIGHTS OF THIRD PARTIES

The City, including its contractors, agents, employees and any third party manufacturers of any equipment, and the copyright owner of any Non-Vendor Software shall own and retain all of their respective Proprietary Rights in any Equipment and Software. Nothing in this Notice is intended to restrict the Proprietary Rights of Vendor, any copyright owner of Non-Vendor Software, or any third party manufacturer of equipment. All intellectual property developed, originated, or prepared by Vendor in connection with providing to City consulting services in connection with the evaluation of the City's equipment, software, or related systems and services remain vested exclusively in City, and this Notice does not grant to Vendor any shared development rights of intellectual property. Exclusive title to all data input, generated by or transferred into or out of the City's system by City shall remain vested in City.

Nothing in this Notice will be deemed to grant, either directly or by implication, estoppel, or otherwise, any right, title or interest in Vendor's Proprietary Rights. City agrees not to modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, distribute, sublicense, sell or export the Software, or permit or encourage any third party to do so. The preceding sentence shall not apply to Open Source Software which is governed by the standard license of the copyright owner.

I HAVE READ THE ABOVE TERMS, UNDERSTAND THEM AND AGREE TO ABIDE BY THEM UNDER PENALTY OF LAW.

SO ACKNOWLEDGED:

  
\_\_\_\_\_  
Signature of authorized representative of Vendor

3-4-2019  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee's signature  
(to be signed by each employee at the time of commencement of services)

\_\_\_\_\_  
Date



**CITY OF FRANKLIN, TENNESSEE**  
**PROCUREMENT AGREEMENT**  
(City of Franklin Contract No. 2019-0107)

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**Attachment No. 2**

**CITY'S TERMS**

# Standard Procurement Terms and Conditions

## City of Franklin, Tennessee

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1. Assignment and Successors. Neither party may assign any rights or obligations under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, without the prior written consent of the other party. These Standard Procurement Terms and Conditions, and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.
2. Subcontracting. Vendor may subcontract any portion of the work only with the prior consent of the City, but such subcontracting will not relieve Vendor of its duties under these Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
3. Time of the Essence. The parties agree that TIME IS OF THE ESSENCE with respect to the vendor's performance of all provisions of the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
4. Taxes. As a tax-exempt entity, the City shall not be responsible for sales or use taxes incurred for products or services. Upon request, the City shall supply Vendor with a copy of its Sales and Use Tax Exemption Certificate. Vendor shall bear the burden of providing its suppliers with a copy of the City's tax exemption certificate and shall assume all liability for such taxes, if any, that should be incurred.
5. Notices. Any notice provided pursuant to these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, if specified to be in writing, will be in writing and will be deemed given: (a) if by hand delivery, then upon receipt thereof; (b) if mailed, then three (3) City business days after deposit in the mail where sender is located, postage prepaid, certified mail return receipt requested; (c) if by next day delivery service, then upon such delivery; or (d) if by facsimile transmission or electronic mail, then upon confirmation of receipt. All notices will be addressed to the parties at the addresses set forth below (or set forth in such other document to which these Standard Procurement Terms and Conditions apply, or such other address as either party may in the future specify in writing to the other):

In the case of the City:

City of Franklin  
Attn: Purchasing Manager  
  
Re: City of Franklin Purchasing Office Solicitation No. 2019\_007  
109 Third Ave. South  
P.O. Box 305  
Franklin, TN 37065-0305  
FAX: 615-550-0079  
E-mail: [purchasing@franklintn.gov](mailto:purchasing@franklintn.gov)

In the case of Vendor:

Willis Towers Watson  
Nashville Brokerage & Advisory Market Leader  
  
26 Century Blvd  
Nashville, TN 37214  
  
Fax; 615-872-3896  
[lou.diaz@willistowerswatson.com](mailto:lou.diaz@willistowerswatson.com)

## Standard Procurement Terms and Conditions

### City of Franklin, Tennessee

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6. Confidentiality and Proprietary rights. Vendor waives any right to confidentiality of any document, e-mail or file it fails to clearly mark on each page (or section as the case may be) as confidential or proprietary. Proprietary rights do not extend to the data created by the City's users of the System; all rights to that data (including derivative or hidden data such as metadata) shall vest solely in City at the moment of creation and City shall retain exclusive rights, title, and ownership of all data and images created therefrom at the moment of creation and utilization, through and including image creation. City may be required to disclose documents under state or federal law. City shall notify Vendor if a request for documents has been made and shall give Vendor a reasonable opportunity under the circumstances to respond to the request by redacting proprietary or other confidential information. In exchange, Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of (i) the City's failure to disclose such documents or information required to be disclosed by law, or (ii) the City's release of documents as a result of City's reliance upon Vendor's representation that materials supplied by Vendor (in full or redacted form) do not contain trade secrets or proprietary information, provided that the City impleads Vendor and Vendor assumes control over that claim.
7. Derivative Works. To the extent that the Agreement contains Vendor's reservation of rights, such definitions and limitations are superseded by the following: "Derivative Work" means a program that is based on or derived from one or more existing programs or components. If the original software is modified to create a new program, a derived work is created. If the original software was designed to accept plug-ins or drivers using a defined mechanism, such a driver or plug-in does not form a derived work. Linking to a library in the way it was designed to be interfaced with, does *not* constitute deriving a work. "Derivative work" is *not* the data that the Licensee inputs, manipulates, modifies or otherwise improves, nor the images resulting therefrom.
8. Arbitration/Mediation. No arbitration shall be required as a condition precedent to filing any legal claim arising out of or relating to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply. No arbitration or mediation shall be binding.
9. Waiver. Neither party's failure or delay to exercise any of its rights or powers under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will constitute or be deemed a waiver or forfeiture of those rights or powers. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (a) a future or continuing waiver of that same right or power, or (b) the waiver of any other right or power.
10. Warranties/Limitation of Liability/Waiver. City reserves all rights afforded to local governments under law for all general and implied warranties. The City does not waive any rights it may have to all remedies provided by law and therefore any attempt by Vendor to limit its liability shall be void and unenforceable.
11. Severability. If any term or provision of these Standard Procurement Terms and Conditions is held to be illegal or unenforceable, the validity or enforceability of the remainder of these Standard Procurement Terms and Conditions will not be affected.

## Standard Procurement Terms and Conditions

### City of Franklin, Tennessee

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12. Precedence. In the event of conflict between the provisions of these Standard Procurement Terms and Conditions and that of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the provisions of these Standard Procurement Terms and Conditions will to the extent of such conflict take precedence unless such document expressly states that it is amending these Standard Procurement Terms and Conditions.
13. Indemnification. Vendor agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin.
14. Additions/Modifications. If seeking any addition or modification to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the parties agree to reference the specific paragraph number sought to be changed on any future document or purchase order issued in furtherance of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, however, an omission of the reference to same shall not affect its applicability. In no event shall either party be bound by any terms contained in any purchase order, acknowledgement, or other writings unless: (a) such purchase order, acknowledgement, or other writings specifically refer to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply or to the specific clause they are intended to modify; (b) clearly indicate the intention of both parties to override and modify any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply; and (c) such purchase order, acknowledgement, or other writings are signed, with specific material clauses separately initialed, by authorized representatives of both parties.
15. Applicable Law; Choice of Forum/Venue. These Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply are made under and will be construed in accordance with the laws of the State of Tennessee without giving effect to any state's choice-of-law rules. The choice of forum and venue shall be exclusively in the Courts of Williamson County, TN.
16. Termination. Unless the City has indicated otherwise in the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, either party may terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, with or without cause, upon thirty (30) calendar days' notice to the other. Upon termination by the vendor, the City shall be entitled to retain ownership of any and all goods and equipment purchased. Upon termination by the City, the vendor shall be entitled to receive any amounts due as a result of goods and equipment already delivered and/or services already

## Standard Procurement Terms and Conditions City of Franklin, Tennessee

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rendered; however, the City shall maintain ownership and control of any goods and equipment purchased. Upon termination of services, whether connected or unconnected to goods and equipment, such services shall be rendered until the conclusion of the 30<sup>th</sup> calendar day as stated in the notice or until a contractual benchmark has been achieved, or as the parties may otherwise agree.

17. Breach. Upon deliberate breach of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, by either party, the non-breaching party shall be entitled to terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply without notice, with all of the remedies it would have in the event of termination under section 10 (“Severability”) above, and may also have such other remedies as it may be entitled to in law or in equity.
18. Default. If Vendor fails to perform or comply with any provision of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, then the City (i) may cancel the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, in whole or in part, without penalty or protest by Vendor; (ii) may consider such failure to perform or comply as a breach of contract; (iii) reserves the right to purchase its requirements from the vendor that submitted the next lowest and best responsive and responsible bid, or the vendor that submitted the next best proposal, if that vendor will still honor that bid or proposal, or to seek new bids or proposals, or to pursue one or more other options available to the City in compliance with its then current purchasing policy; and (iv) may hold the defaulting vendor liable for all damages provided by law, including cost of cover.
19. Entire Agreement. These Standard Procurement Terms and Conditions, including any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, constitutes the entire agreement between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of these Standard Procurement Terms and Conditions. The terms and conditions of these Standard Procurement Terms and Conditions may not be changed except by an amendment expressly referencing these Standard Procurement Terms and Conditions by section number and signed by an authorized representative of each party.
20. Survival. These Standard Procurement Terms and Conditions shall survive the completion of or any termination of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.

**CITY OF FRANKLIN, TENNESSEE  
PROCUREMENT AGREEMENT**

(City of Franklin Contract No. 2019-0107)

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**Attachment No. 3**

**CERTIFICATE OF INSURANCE**

<b>Certificate Date</b>	<b>Producer</b>	<b>Certificate Number</b>	<b>Certificate Holder</b>	<b>Type of Insurance</b>	<b>Policy Expiration</b>
4/16/2019	Willis of New York, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	W10911374	City of Franklin 109 3rd Avenue South Franklin, TN 37064	Commercial General Liability	7/1/2019
				Workers Compensation and Employers' Liability	7/1/2019
				Errors & Omissions	7/1/2019



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/16/2019

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 rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Willis of New York, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	<b>CONTACT NAME:</b> <b>PHONE (A/C, No. Ext):</b> 1-877-945-7378		<b>FAX (A/C, No):</b> 1-888-467-2378
	<b>E-MAIL ADDRESS:</b> certificates@willis.com		
<b>INSURED</b> Willis North America, Inc. and its subsidiaries 200 Liberty Street New York, NY 10281	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	<b>INSURER A:</b> Zurich American Insurance Company		16535
	<b>INSURER B:</b> Sentry Insurance a Mutual Company		24988
	<b>INSURER C:</b> Willis Submission Carrier		GENRC
	<b>INSURER D:</b> National Union Fire Insurance Company of P		19445
	<b>INSURER E:</b>		
<b>INSURER F:</b>			

**COVERAGES**

CERTIFICATE NUMBER: W10911374

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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Contractual Liability</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	GL0014436302	07/01/2018	07/01/2019	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N No	N/A	90-20597-01	07/01/2018	07/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	<b>Errors &amp; Omissions</b>			SM1819	07/01/2018	07/01/2019	Per Claim \$5,000,000 Aggregate Limit \$5,000,000

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

This Voids and Replaces Previously Issued Certificate Dated 04/15/2019 WITH ID: W10889642.

Professional Indemnity Insurance (Errors &amp; Omission Liability) Carrier: Stone Mountain Insurance Company.

All employees of Willis North America and its subsidiaries are included as Insureds under the Errors & Omissions  
SEE ATTACHED**CERTIFICATE HOLDER****CANCELLATION**

City of Franklin 109 3rd Avenue South Franklin, TN 37064	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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## ADDITIONAL REMARKS SCHEDULE

AGENCY Willis of New York, Inc.	NAMED INSURED Willis North America, Inc. and its subsidiaries 200 Liberty Street New York, NY 10281
POLICY NUMBER See Page 1	NAIC CODE See Page 1
CARRIER See Page 1	EFFECTIVE DATE: See Page 1

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance**

policy.

City of Franklin is included as an Additional Insured as respects to General Liability where required by written contract or agreement.

It is understood and agreed that the company waives its right of subrogation where required by written contract.

INSURER AFFORDING COVERAGE: Sentry Insurance a Mutual Company NAIC#: 24988  
 POLICY NUMBER: 90-20597-03      EFF DATE: 07/01/2018      EXP DATE: 07/01/2019

SUBROGATION WAIVED:      Y

TYPE OF INSURANCE:	LIMIT DESCRIPTION:	LIMIT AMOUNT:
Workers Compensation & Employers Liability Per Statute	EL Each Accident EL Disease - Each Emp EL Disease-Policy Lmt	\$1,000,000 \$1,000,000 \$1,000,000

INSURER AFFORDING COVERAGE: Sentry Insurance a Mutual Company NAIC#: 24988  
 POLICY NUMBER: 90-20597-02      EFF DATE: 07/01/2018      EXP DATE: 07/01/2019

SUBROGATION WAIVED:      Y

TYPE OF INSURANCE:	LIMIT DESCRIPTION:	LIMIT AMOUNT:
Workers Compensation & Employers Liability Per Statute	EL Each Accident EL Disease - Each Emp EL Disease-Policy Lmt	\$1,000,000 \$1,000,000 \$1,000,000

INSURER AFFORDING COVERAGE: National Union Fire Insurance Company of Pittsburgh NAIC#: 19445  
 POLICY NUMBER: 11235222      EFF DATE: 07/01/2018      EXP DATE: 07/01/2019

TYPE OF INSURANCE:	LIMIT DESCRIPTION:	LIMIT AMOUNT:
Crime	Limit	\$1,000,000

INSURER AFFORDING COVERAGE: National Union Fire Insurance Company of Pittsburgh NAIC#: 19445  
 POLICY NUMBER: 11235223      EFF DATE: 07/01/2018      EXP DATE: 07/01/2019

TYPE OF INSURANCE:	LIMIT DESCRIPTION:	LIMIT AMOUNT:
Cyber Media Liability	Limit	\$1,000,000



**Willis North America Inc.**

**Subsidiaries included as insureds under the insurance policies noted in attached *Accord form*.**

Acclaris Holdings, Inc.  
Acclaris, Inc.  
Encore Insurance PCC, Limited  
Encore One IC, Inc  
Extend Health, LLC (formerly Extend Health, Inc.)  
Extend Insurance Services LLC  
Fairly Consulting Group, LLC  
Freberg Environmental, Inc.  
Liazon Benefits, Inc.  
Liazon Corporation  
PBW, LLC  
Premium Funding Associates, Inc.  
Professional Consultants Insurance Company, Inc.  
RSDIG Risk Purchasing Group, Inc.  
Special Contingency Risks Inc. – except for Professional Liability as it is covered elsewhere  
Stone Mountain Insurance Company  
The Willis Foundation  
Towers Perrin Capital Corp.  
Towers Watson Delaware Holdings LLC (Formerly Towers Watson Delaware Holdings Inc.)  
Willis Towers Watson US LLC (Formerly Towers Watson Delaware Inc.)  
Towers Watson Investment Services, Inc.  
Towers Watson Latin America Holdings LLC  
Towers Watson Middle East Holdings LLC  
Towers Watson Retiree Insurance Services, Inc.  
TPF&C International, Inc.  
Watson Wyatt European Investment Holdings 1, LLC  
Watson Wyatt European Investment Holdings, Inc.  
Watson Wyatt International, Inc.  
Market Street Holdings, Inc.  
Vertus Insurance Partners, LLC  
Vertus Insurance Agency, LLC  
Westport Financial Services, LLC  
Westport HRH, LLC  
Willis Administrative Services Corporation  
Willis Americas Administration, Inc.  
Willis HRH, Inc.  
Willis Insurance Services of California, Inc.  
Willis Insurance Services of Georgia, Inc.  
Willis NA Inc.  
Willis North America Inc.  
Willis North American Holding Company  
Willis of Alabama, Inc.  
Willis of Arizona, Inc.  
Willis of Colorado, Inc.  
Willis of Connecticut, LLC  
Willis of Florida, Inc.  
Willis of Greater Kansas, Inc.  
Willis of Illinois, Inc.  
Willis of Louisiana, Inc.  
Willis of Maryland, Inc.

**Willis North America Inc.**

**Subsidiaries included as insureds under the insurance policies noted in attached *Accord form*.**

Willis of Massachusetts, Inc.  
Willis of Michigan, Inc.  
Willis of Minnesota, Inc. (merged into Willis of Ohio Inc. effective 1/1/19)  
Willis of Mississippi, Inc.  
Willis of New Hampshire, Inc.  
Willis of New Jersey, Inc.  
Willis of New York, Inc.  
Willis of North Carolina, Inc.  
Willis Towers Watson Midwest, Inc. (formerly Willis of Ohio, Inc.)  
Willis of Oklahoma, Inc.  
Willis of Oregon, Inc.  
Willis of Pennsylvania, Inc.  
Willis of Seattle, Inc.  
Willis of Tennessee, Inc.  
Willis of Texas, Inc.  
Willis of Vermont, Inc. - name change (formerly known as Smith, Bell & Thompson, Inc.)  
Willis of Virginia, Inc.  
Willis of Wisconsin, Inc.  
Willis of Wyoming, Inc.  
Willis Personal Lines, LLC  
Willis Processing Services, Inc.  
Willis Programs of Connecticut, Inc.  
Willis Re Inc.  
Willis Securities, Inc.  
Willis Towers Watson CAC, Inc.  
Willis Towers Watson Management (Vermont), Ltd.  
Willis Towers Watson Risk Purchasing Group, Inc.  
Willis US Holding Company, LLC (formerly Willis US Holding Company, Inc.)  
WTW Delaware Holdings LLC



ZURICH

# Additional Insured – Automatic – Owners, Lessees Or Contractors

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
GLO 0144363-02	07/01/2018	07/01/2019		18741000	INCL	

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**Named Insured:** WILLIS OF NEW YORK INC.

**Address (including ZIP Code):**

200 LIBERTY STREET, BROOKFIELD

PLACE NEW YORK, NY 10281

This endorsement modifies insurance provided under the:

**Commercial General Liability Coverage Part**

**A. Section II – Who Is An Insured** is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract or written agreement. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf,

in the performance of your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:**

~~This insurance does not apply to:~~

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services including:

- a. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.

C. The following is added to Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – **Commercial General Liability Conditions:**

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured if the written contract or written agreement requires that this coverage be primary and non-contributory.

D. For the purposes of the coverage provided by this endorsement:

1. The following is added to the Other Insurance Condition of Section IV – **Commercial General Liability Conditions:**

**Primary and Noncontributory insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

- a. The additional insured is a Named Insured under such other insurance; and
  - b. You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.
2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV – **Commercial General Liability Conditions:**

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by a written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

E. This endorsement does not apply to an additional insured which has been added to this policy by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.

F. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section III – **Limits Of Insurance:**

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract or written agreement referenced in Paragraph A. of this endorsement; or
  2. Available under the applicable Limits of Insurance shown in the Declarations,
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.

**CITY OF FRANKLIN, TENNESSEE**  
**PROCUREMENT AGREEMENT**  
(City of Franklin Contract No. 2019-0107)

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**Attachment No. 4**

**INDEMNIFICATION AGREEMENT**

# Indemnification Agreement

a form required of Bidders and Proposers on purchases of services for the  
City of Franklin, Tennessee

State of Tennessee )  
County of Davidson ) SS

On behalf of Bidder/Proposer, Lou Diaz agrees that:  
(printed name of person signing Agreement)

1. He or she is the Nashville Brokerage & Advisory Market Leader of  
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)  
Willis Towers Watson  
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which this Agreement applies, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin; and
4. This Agreement is made on personal knowledge.

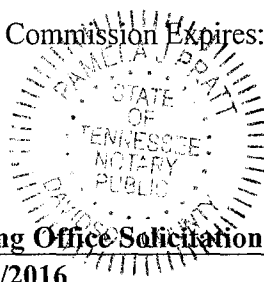
[Signature]  
(signature of person whose printed name appears above)

Nashville Brokerage & Advisory Market Leader  
(title of person whose printed name appears above)

Sworn and subscribed to before me this 4<sup>th</sup> day of March, 2019

[Signature]  
(Notary Public)

My Commission Expires: 9-6-22



(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2019 007)

**CITY OF FRANKLIN, TENNESSEE**  
**PROCUREMENT AGREEMENT**  
*(City of Franklin Contract No. 2019-0107)*

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**Attachment No. 5**

**FEE AGREEMENT**



City of Franklin  
109 3<sup>rd</sup> Avenue South  
Franklin, TN 37064

Willis of Tennessee, Inc.  
26 Century Boulevard  
Nashville, TN 37214

## FEE AGREEMENT – HUMAN CAPITAL ACCOUNTS

This document records our mutual understanding regarding our professional relationship and the services we will provide to you.

The City of Franklin and Willis of Tennessee, Inc. (“Willis Towers Watson”) agree as follows:

### 1.0 Services and Responsibilities

1.1 Subject to all other terms and conditions of this Agreement, Willis Towers Watson shall provide the Services identified in Appendix A.

1.2 We are committed to acting in your best interests at all times in providing services to you.

1.3 The services we provide to you rely in significant part on the facts, information, and direction provided by you or your authorized representatives. Accordingly, you must provide us with complete and accurate information regarding your loss experience, risk exposures, changes in the analysis or scope of your risk exposures, and any other information reasonably required or requested by us or insurers. It is important to advise us of any changes in your business operations that may affect our services or your insurance coverages. Therefore, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your business, finalizing the terms to apply and/or the cost of coverage or pay a claim, must be disclosed. Failure to fully disclose such information might allow insurers to avoid liability for a particular claim or to void the policy. This duty of disclosure applies equally at renewal of your existing coverage and upon placement of new lines of coverage. Willis Towers Watson is not responsible for any consequences arising from any delayed, inaccurate or incomplete information.

1.4 At the time of binding, we review the financial soundness of the insurers we recommend to provide your coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, we will provide you with our analysis of such insurers. We do not guarantee or warrant the solvency of any insurer or any intermediary that we may use to place your coverage.

1.5 You will make all final decisions relating to your insurance coverages, risk management, and loss control needs. We will procure the insurance coverage chosen by you, including the limits you choose. We will review all binders, policies and endorsements to confirm their accuracy and conformity to negotiated specifications and your instructions. We will advise you of any errors in, or recommended changes to, such documents. You agree to also review all such documents and promptly advise us of any questions you have or of any



## Willis Towers Watson

document or provision which you believe may not be in accordance with your instructions. Your coverage is defined by the terms and conditions detailed in your insurance policies and endorsements.

1.6 In our capacity as employee benefits professionals, we do not provide legal or tax advice. We encourage you to seek any such advice you want or need from competent legal counsel or tax professionals

### 2.0 Confidentiality

2.1 We treat information you provide us in the course of our professional relationship as confidential and use it only in performing services for you. We may share this information with third parties to provide the services to you. We may also disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. By providing us with data, you represent that you are fully authorized to possess that data and to provide it to us, and further that we are fully authorized to obtain, maintain, process and transfer such data in a commercially reasonable manner. We have implemented and maintain commercially reasonable and appropriate security measures to protect sensitive information from unauthorized use or disclosure. Records you provide us will remain your property and will be returned to you upon request. However, we will retain copies of such records to the extent required in the ordinary course of our business or by law. You will treat any information we provide to you, including data, recommendations, proposals, or reports, as confidential, and you will not disclose it to any third parties. You may disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. We retain the sole rights to all of our proprietary computer programs, systems, methods and procedures and to all files developed by us.

2.2 **This Section intentionally left blank.**

2.3 In the event that you or any of the benefit plans you sponsor need to enter into business associate agreements with Willis Towers Watson to satisfy the requirements of the Health Insurance Portability and Accountability Act, the regulations implementing that Act (the "Standards for Privacy of Individually Identifiable Health Information," codified at 45 C.F.R. parts 160 and 164), or any other similar law, you agree to work with Willis Towers Watson to execute an agreement in compliance with these requirements.

### 3.0 Compensation and Disclosure

3.1 Fee: \$56,000 per year (\$4,667/mo.) as fixed fee inclusive of all expenses and costs, including direct labor, travel-related expenses, indirect costs and profit. Neither premiums nor commissions are to be charged and neither will be paid pursuant to this Fee Agreement.

The Fee is paid for the insurance policies set forth in Appendix A (the "Coverages") purchased by you through us as your insurance brokers and is payable in (monthly, quarterly, annual) installments commencing simultaneous with the term of the Procurement Agreement to which this Fee Agreement is attached.

**Willis Towers Watson** 

3.2 Willis Towers Watson is an insurance producer licensed to do business worldwide, including in all 50 states and the District of Columbia. Insurance producers are authorized by their license to work with insurance purchasers and discuss the benefits and terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of an insurance producer in any particular transaction involves one or more of these activities.

3.3 Willis Towers Watson may place your insurance with members of a panel of insurers. Willis Towers Watson develops panels of insurers in certain market segments. Participating insurers are reviewed on a variety of factors.

3.9 Some of our corporate parents, subsidiaries or affiliates are reinsurance brokers that provide reinsurance brokerage services to their insurance carrier clients. Their clients compensate them for those reinsurance brokerage services. Some of their insurance carrier clients may happen to be insurance carriers with whom we place your insurance coverages. The services we provide you and the reinsurance services our reinsurance affiliates provide their clients are separate and any compensation they may earn for the services they provide their clients are separate from the compensation we earn for the services we provide you under this Agreement.

3.10 As an insurance intermediary, we normally act for you. However, for some insurance products, we or our corporate parents, subsidiaries or affiliates may provide services to insurers. These services may include (a) acting as a managing general agent, program manager or in other similar capacities which give us binding authority enabling us to accept business on their behalf and immediately provide coverage for a risk; (b) arranging lineslips or similar facilities which enable an insurer to bind business for itself and other insurers; or (c) managing lineslips for insurers. Contracts with these insurers may grant us certain rights or create certain obligations regarding the marketing of insurance products provided by the insurers. We may place your insurance business under such a managing general agent's agreement, binding authority, lineslip or similar facility when we reasonably consider that these match your insurance requirements/instructions. When we intend to do so, we shall inform you and disclose the compensation payable to Willis Towers Watson in connection with the placement of the insurance coverage.

3.11 Subsidiaries of Willis Towers Watson are members of a major international group of companies. In addition to the fee received for placement of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by our corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to you under their separate contracts with insurers or reinsurers.

3.12 The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. If a conflict arises for which there is no practicable way of complying with this commitment, we will promptly inform you and withdraw from the engagement, unless you wish us to continue to provide the services and will provide your written consent. Please let us know in writing if you have

## WillisTowersWatson

concerns or we will assume that you understand and consent to our providing our services pursuant to these terms.

3.13 Our compensation for the services does not include federal, state and local sales, use, excise, receipts, gross income and other similar taxes or governmental charges.

### 4.0 Premium/Handling of Funds

4.1 You will provide immediately available funds for payment of premiums by the payment dates specified in the insurance policies, invoices or other payment documents. Failure to pay premium on time may prevent coverage from incepting or result in cancellation of coverage by the insurer. We are not responsible for any consequences arising from any delay or failure by you to pay the amount due by the indicated date.

### 5.0 Term and Termination

5.1 The fee is earned in accordance with completion of work associated with the phases of services as set forth in Appendix A. The value of each phase of service as a percentage of the fee is as follows:

Strategic Planning	15%	Earned in equal monthly installments prior to the benefit plan effective date
Program Renewal / Placement Process	35%	Earned in equal monthly installments prior to the benefit plan effective date
Ongoing Service and Resources	50%	Earned in 12 equal monthly installments

The client will be billed for all services rendered for which the fee was earned as of the termination date.

5.2 The Term of this Agreement shall be simultaneous with the term of the Procurement Agreement to which this Fee Agreement is attached (the "Term").

Either party may terminate this Agreement in accordance with the Procurement Agreement to which this Fee Agreement is attached.

5.3 Our obligation to render the Services under this agreement ceases at the end of the Term or on termination of the Agreement, whichever is sooner. Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance

**Willis Towers Watson** 

broker which you designate. Claims and premium or other issues may arise after our relationship ends. Such items are normally handled by the insurance broker or consultant serving you at the time the claim or other issue arises. However, we will consider providing services in these areas after the Term or termination of this Agreement for mutually agreed additional compensation.

**6.0 Other Provisions**

6.1 We do not tolerate unethical behavior either in our own activities or in those with whom we seek to do business. We will comply with all applicable laws, regulations, and rules.

6.2 In certain circumstances, the United States and other countries prohibit or restrict companies from conducting business in certain jurisdictions or with certain individuals or entities and can fine or otherwise penalize companies who conduct such business. The way these sanctions programs may affect a given insurance transaction depends on a number of complex factors including your ownership structure, control, location, and the nationality of your employees. We cannot advise you or insurers on the applicability of sanctions programs nor can we guarantee or otherwise warrant the position of any insurer under existing or future sanctions programs. You should seek legal advice on the potential applicability of sanctions as you deem appropriate. We will comply with all applicable sanctions programs and, where required by law, may take certain actions, including freezing funds held on behalf of parties and individuals covered by applicable sanctions.

6.3 Willis Towers Watson owns and retains all right, title, and interest in and to the following Willis Towers Watson Property: (i) all software, hardware, technology, documentation, and information provided by Willis Towers Watson in connection with the Claim and Risk Control Services; (ii) all ideas, know-how, methodology, models and techniques that may be developed, conceived, or invented by Willis Towers Watson during its performance under this Agreement; and (iii) all worldwide patent, copyright, trade secret, trademark and other intellectual property rights in and to the property described in clauses (i) and (ii) above. We expressly reserve all rights in the Willis Towers Watson Property.

6.4 During the term of this agreement and for a reasonable period thereafter, you may audit the records and accounts of Willis Towers Watson related to this agreement, at your expense. You agree to give us reasonable advance written notice of any audit and to conduct the audit during normal business hours in a manner which is not unduly disruptive to our ongoing business.

6.5 We agree to communicate with each other from time to time by electronic mail, sometimes attaching further electronic data. By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). We each agree, however, to employ reasonable virus checking procedures on our computer systems, and to check all electronic communications received for viruses. You will also check that messages received are complete.

**Willis Towers Watson** 

6.6 Please note that our system blocks certain file extensions for security reasons, including, but not limited to, .rar, .text, .vbs, .mpeg, .mp3, .cmd, .cpl, .wav, .exe, .bat, .scr, .mpq, .avi, .com, .pif, .wma, .mpa, .mpg, .jpeg. Emails with such files attached will not get through to us; and no message will be sent to tell you they have been blocked. If you intend to send us emails with attachments, please verify with us in advance that our system will accept the proposed form of attachment.

6.7 The Section headings in this Agreement are for convenience only and are not intended to define or limit the scope of the contents of such paragraphs. This Agreement may be executed in its original version or in any copy, counterpart, or other duplicate.

6.8 This Agreement supersedes any and all prior agreements between us regarding the insurance coverages and the services provided.

6.9 The provisions of this agreement are severable and, in the event any provision or portion of any provision is construed by any court of competent jurisdiction to be invalid, the same shall not invalidate any other provision of this agreement or the remainder of the enforceable portion of the provision.

6.10 This Agreement is governed by and construed in accordance with the laws of the state of Tennessee and any dispute shall be resolved in the appropriate court of such state or in any federal court with proper jurisdiction thereof.

**7.0 Questions**

7.1 If you have questions, please inform your Willis Towers Watson representative or call the head of our office. You may also call 1-866-704-5115, the toll-free number which Willis Towers Watson has established for client feedback.

City of Franklin

By: \_\_\_\_\_

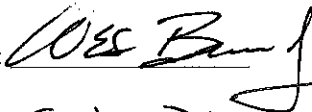
Title: City Administrator

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Tiffani M. Pope, Staff Attorney

Willis Towers Watson

By: 

Title: Senior Director

Date: 5-1-2019