



# STAFF REPORT

**Report To:** Board of Supervisors

**Meeting Date:** June 7, 2018

**Staff Contact:** Melanie Bruketta, HR Director

**Agenda Title:** For Possible Action: To approve the employee/retiree health insurance contract with Prominence Health Plan, dental and life insurance contracts with Anthem, the health savings account contract with HR Simplified, and to fund health savings accounts for active employees in the following annual amounts for fiscal year 2019: \$2,143 (employee only), \$3,269 (employee plus spouse), \$3,128 (employee plus children) and \$4,430 (employee plus family). (Melanie Bruketta, mbruketta@carson.org)

**Staff Summary:** This action is to approve the health insurance contract with Prominence Health Plan, dental and life insurance contracts with Anthem, and health savings account contract with HR Simplified, for active and retired employees. Prominence Health Plan HMO and POS plans will increase 5% in fiscal year 2019 (July 1, 2018 to June 30, 2019). During the renewal process, Prominence offered a high deductible HMO plan. This plan is a voluntary plan that employees may elect to join. Employees/retirees who elect the high deductible plan may also elect to open a health savings account (HSA). HR Simplified currently provides the Flexible Spending Accounts for employees and has agreed to offer health savings accounts at a cost of \$2.50 per month. This cost is paid by the employees who elect the high deductible HMO plan. The dental plan through Anthem will decrease 1% and the life insurance plan will decrease 16.7%.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 15 minutes

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## **Proposed Motion**

I move to approve the employee/retiree health insurance contract with Prominence Health Plan, dental and life insurance contracts with Anthem, the health savings account contract with HR Simplified, and to fund health savings accounts for active employees in the following annual amounts for fiscal year 2019: \$2,143 (employee only), \$3,269 (employee plus spouse), \$3,128 (employee plus children) and \$4,430 (employee plus family).

## **Board's Strategic Goal**

Organizational Culture

## **Previous Action**

The Board approved the health, dental, life and vision plans last year at the May 18, 2017 meeting.

## **Background/Issues & Analysis**

The City's combined medical and prescription adjusted claims loss ratio was 98%. Last year, the combined medical and prescription loss ratio was 93%. The 98% loss ratio is driven by overall utilization trends and the presence of multiple large claims. Last year, the City negotiated a 12% rate cap increase for fiscal year 2019. Trend forecasts for medical and prescription costs combined is a 9.5% increase for 2019.

In light of the 98% loss ratio and the medical and prescription cost trend forecast of 9.5%, the City's insurance broker, LP Insurance Services, expected Prominence to request the 12% increase. The marketing approach taken for the fiscal year 2019 renewal was to ask all carriers in the health insurance market to provide a

proposal with a 5% increase; saving the City 7% from the 12% rate cap and 2% under the amount budgeted by Finance. Quotes were solicited from the health insurance market, with the City welcoming responses from any provider who could meet the request for a 5% increase. The only provider that responded was Prominence, who agreed to a 5% increase on the HMO and the POS plans. In addition, Prominence offered a high deductible HMO plan, which is a 25.73% savings. With the introduction of the HSA this year, the City will only realize a small savings from the police/fire employees who elect the high deductible HMO plan, as approval of this action will require the City to fund the difference between the HMO and the high deductible HMO at 50% for dependents rather than 65%/75% that is currently funded by the City for the employees covered under those labor contracts.

Quotes were also solicited for dental and life insurance. The City's current dental loss ratio is 86%, with trend estimated at 4%. The City received 11 responses for dental insurance and 5 responses for life insurance. Dental insurance responses ranged from a 9% increase (current provider-Standard) to a 7.2% decrease (Humana-which refused to quote for retirees.) The lowest competitive bid response came from Met Life at a 3.8% decrease, however the Met Life network is too limited in this area. Staff is proposing that the Board elect to contract with Anthem, a 1% decrease in dental. Anthem's dental plan maintains the current benefits and the same network of dental providers. Life insurance responses ranged from 0% increase (Standard) to a 16.7% decrease (Anthem). Staff is recommending the Board approve the dental and life insurance contracts with Anthem.

Vision coverage was not marketed since the Board approved an agreement with EyeMed last year that gave the City a four year rate guarantee.

#### **Applicable Statute, Code, Policy, Rule or Regulation**

N/A

#### **Financial Information**

Is there a fiscal impact?  Yes  No

If yes, account name/number:

570-0706-415.63-01 - Health insurance expected increase of 5%, or approximately \$389,618.

570-0706-415.63-02 - Dental insurance expected decrease 1.02% or approximately \$5,895.

570-0706-415.63-03 - Life insurance expected decrease 16.67% or approximately \$11,458.

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact: Finance budgeted a 7.1% increase from our Fiscal Year 2018 ReEstimate in medical/dental/vision/life, for a total FY19 budget of \$7,525,177.

#### **Alternatives**

The Board may reject the proposed contracts with Prominence, Anthem and HR Simplified and ask the broker to bring back other options.

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



## **Carson City**

Group Health Plan  
Cost Analysis Report

December 1, 2017

Table of Contents

Exhibits Description

- 1 Executive Summary
- 2 Plan Year & Rolling 12 Months Exhibits
- 3 Dental - Vision
- 4 Large Claims
- 5 Graph - Premium vs Claims





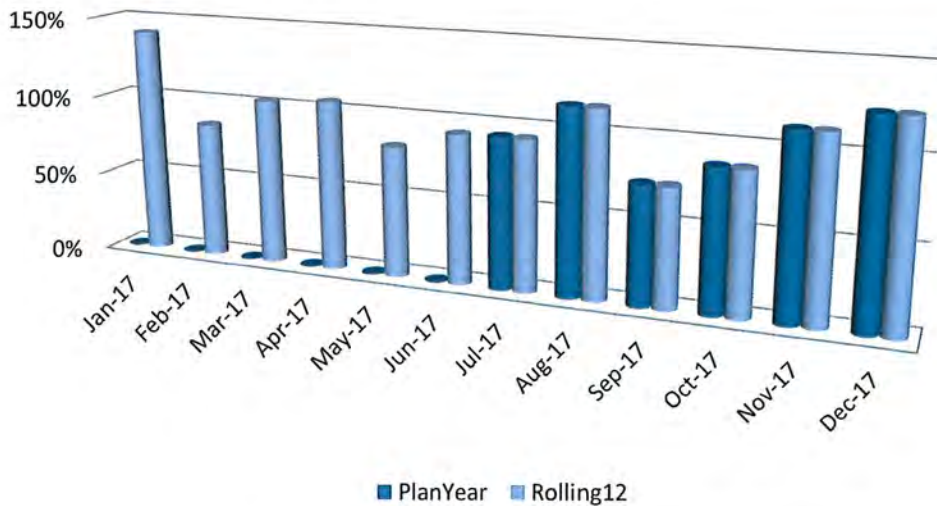
**Carson City**  
**Monthly Claims Activity Executive Summary**  
**For the Month of**  
**December-17**

Current Month			
	Premium	Claims	Loss Ratio
TOTALS	\$648,950	\$805,707	124%

Plan Year			
	Premium	Claims	Loss Ratio
TOTALS	\$3,869,133	\$3,912,666	101%

Per Employee Per Month			
	Current Premium	Rolling 12M Claims	Loss Ratio
TOTALS	\$915	\$901	98%

**Loss Ratio's History**





# Carson City (Subscriber & Dependent Combined)

Incurred Claims

## Plan Year

Month / Year	Subscribers	Members	Policy Premium	Subscribers Composite Premium	Medical & Medical Claims*	Rx Claims	Capitated Claims* \$0.00	Total Claims*	Subscriber Composite Claims*	Paid Loss Ratio
Jul-17	701	1,411	645,212	\$920	510,348	93,951	\$0	\$604,299	\$862	94%
Aug-17	701	1,406	643,370	\$918	622,981	117,917	\$0	\$740,898	\$1,057	115%
Sep-17	701	1,405	643,029	\$917	373,165	100,869	\$0	\$474,034	\$676	74%
Oct-17	701	1,403	643,068	\$917	460,926	103,113	\$0	\$564,039	\$805	88%
Nov-17	705	1,409	645,504	\$916	601,308	122,381	\$0	\$723,689	\$1,027	112%
Dec-17	709	1,417	648,950	\$915	666,968	138,739	\$0	\$805,707	\$1,136	124%
Jan-18										
Feb-18										
Mar-18										
Apr-18										
May-18										
Jun-18										
<b>Total</b>	<b>4,218</b>	<b>8,451</b>	<b>\$3,869,133</b>	<b>\$917</b>	<b>\$3,235,696</b>	<b>\$676,970</b>	<b>\$0</b>	<b>\$3,912,666</b>	<b>\$928</b>	<b>101%</b>
<b>Average</b>	<b>703</b>	<b>1409</b>	<b>\$644,856</b>	<b>\$917</b>	<b>\$539,283</b>	<b>\$112,828</b>	<b>\$0</b>	<b>\$652,111</b>	<b>\$928</b>	<b>101%</b>

### Subscriber Composite Claims



## Rolling 12 Months

Month / Year	Subscribers	Members	Policy Premium	Subscribers Composite Premium	Medical & Medical Claims*	Rx Claims	Capitated Claims* \$0.00	Total Claims*	Subscriber Composite Claims*	Paid Loss Ratio
Jan-17	705	1,417	605,679	\$859	770,244	83,718	\$0	\$853,962	\$1,211	141%
Feb-17	697	1,405	599,502	\$860	425,767	83,341	\$0	\$509,108	\$730	85%
Mar-17	697	1,405	600,072	\$861	504,689	114,349	\$0	\$619,038	\$888	103%
Apr-17	700	1,408	602,195	\$860	544,198	93,739	\$0	\$637,937	\$911	106%
May-17	699	1,406	599,874	\$858	376,154	114,173	\$0	\$490,327	\$701	82%
Jun-17	698	1,400	598,425	\$857	454,526	101,484	\$0	\$556,010	\$797	93%
Jul-17	701	1,411	645,212	\$920	510,348	93,951	\$0	\$604,299	\$862	94%
Aug-17	701	1,406	643,370	\$918	622,981	117,917	\$0	\$740,898	\$1,057	115%
Sep-17	701	1,405	643,029	\$917	373,165	100,869	\$0	\$474,034	\$676	74%
Oct-17	701	1,403	643,068	\$917	460,926	103,113	\$0	\$564,039	\$805	88%
Nov-17	705	1,409	645,504	\$916	601,308	122,381	\$0	\$723,689	\$1,027	112%
Dec-17	709	1,417	648,950	\$915	666,968	138,739	\$0	\$805,707	\$1,136	124%
<b>Total</b>	<b>8,414</b>	<b>16,892</b>	<b>\$7,474,880</b>	<b>\$888</b>	<b>\$6,311,274</b>	<b>\$1,267,774</b>	<b>\$0</b>	<b>\$7,579,048</b>	<b>\$901</b>	
<b>Average</b>	<b>701</b>	<b>1408</b>	<b>\$622,907</b>	<b>\$888</b>	<b>\$525,940</b>	<b>\$105,648</b>	<b>\$0</b>	<b>\$631,587</b>	<b>\$901</b>	<b>101%</b>
<b>Underwriting Loss Ratio, Including Capitated Claims Est., Starting Point before Large claim Exceptions</b>										<b>98%</b>

### Subscriber Composite Claims



\*Estimated Fees

Source: Prominence unaudited Monthly Experience Report

# Carson City (Subscriber & Dependent Combined)

Rolling 12 Months - Incurred Claims

## Dental

Month / Year	Subscribers	Members	Policy Premium	Subscribers Composite Premium	Dental Claims	Subscriber Composite Claims	Paid Loss Ratio
Jan-17	707	1,405	51,915	\$73	53,092	\$75	102%
Feb-17	700	1,394	50,994	\$73	31,622	\$45	62%
Mar-17	700	1,393	47,326	\$68	61,979	\$89	131%
Apr-17	705	1,397	51,218	\$73	38,887	\$55	76%
May-17	704	1,395	50,348	\$72	51,844	\$74	103%
Jun-17	706	1,394	50,998	\$72	49,550	\$70	97%
Jul-17	701	1,411	47,893	\$68	29,753	\$42	62%
Aug-17	701	1,406	47,893	\$68	38,441	\$55	80%
Sep-17	701	1,405	47,723	\$68	31,816	\$45	67%
Oct-17	701	1,403	47,624	\$68	37,282	\$53	78%
Nov-17	705	1,409	47,789	\$68	49,218	\$70	103%
Dec-17	709	1,417	47,897	\$68	34,242	\$48	71%
<b>Total</b>	<b>8,440</b>	<b>16,829</b>	<b>\$589,618</b>	<b>\$70</b>	<b>\$507,727</b>	<b>\$60.16</b>	<b>86%</b>
<b>Average</b>	<b>703</b>	<b>1,402</b>	<b>\$49,135</b>		<b>\$42,311</b>		

### Subscriber Composite Claims



## Vision

Month / Year	Subscribers	Members	Policy Premium	Subscribers Composite Premium	Vision Claims	Subscriber Composite Claims*	Paid Loss Ratio
Jan-17	715		6,337	\$8.86	5,332	\$7.46	84%
Feb-17	701		6,163	\$8.79	4,491	\$6.41	73%
Mar-17	695		6,130	\$8.82	3,368	\$4.85	55%
Apr-17	703		6,181	\$8.79	3,004	\$4.27	49%
May-17	702		6,166	\$8.78	4,121	\$5.87	67%
Jun-17	708		6,190	\$8.74	9,334	\$13.18	151%
Jul-17	1,409		4,086	\$2.90	3,180	\$2.26	78%
Aug-17	1,403		4,124	\$2.94	7,452	\$5.31	181%
Sep-17	1,405		4,078	\$2.90	4,782	\$3.40	117%
Oct-17	1,402		4,103	\$2.93	3,724	\$2.66	91%
Nov-17	1,408		4,102	\$2.91	3,945	\$2.80	96%
Dec-17	1,414		4,128	\$2.92	3,709	\$2.62	90%
<b>Total</b>	<b>12,665</b>		<b>\$61,788</b>	<b>\$5</b>	<b>\$56,442</b>	<b>\$4.46</b>	<b>91%</b>
<b>Average</b>	<b>1,055</b>		<b>\$5,149</b>	<b>\$5</b>	<b>\$4,704</b>	<b>\$4</b>	

### Subscriber Composite Claims



Source: Prominence unaudited Monthly Experience Report



**Carson City**  
Group Health Plan  
Large Claims >= 50K Included Medical & Pharmacy

Member	Description	Paid Amount
Member 1	Encounter for antineoplastic immunotherapy	\$411,616
Member 2	Crohns SC Both Sm Lg Intest No Comp	\$217,917
Member 3	Malignant neoplasm of temporal lobe	\$198,632
Member 4	Fistula Of Intestine	\$197,734
Member 5	Malignant Neoplasm of Brain Unspec	\$164,081
Member 6	Ashd Native Ca W/O Angina Pectoris	\$146,107
Member 7	Noninfective Ge & Colitis Uns	\$120,549
Member 8	Sick Sinus Syndrome	\$120,347
Member 9	Disrupt Ext Op Surg Wound Nec Init	\$114,074
Member 10	Other Spec Disorders Bone Oth Site	\$100,817
Member 11	Sprain Acl Right Knee Initial Enc	\$90,669
Member 12	Non-St Elevation Myocardial Infarct	\$89,569
Member 13	Ischemic Cardiomyopathy	\$88,927
Member 14	Multiple Sclerosis	\$78,982
Member 15	Enc Screen Malig Neoplasm Colon	\$73,188
Member 16	Dspl Commnt Fx Shift Rt Fem Init Clo	\$58,252

\* Primary Medical ICD

Claims Period: 01/01/17 - 12/31/17 paid though 02/28/18

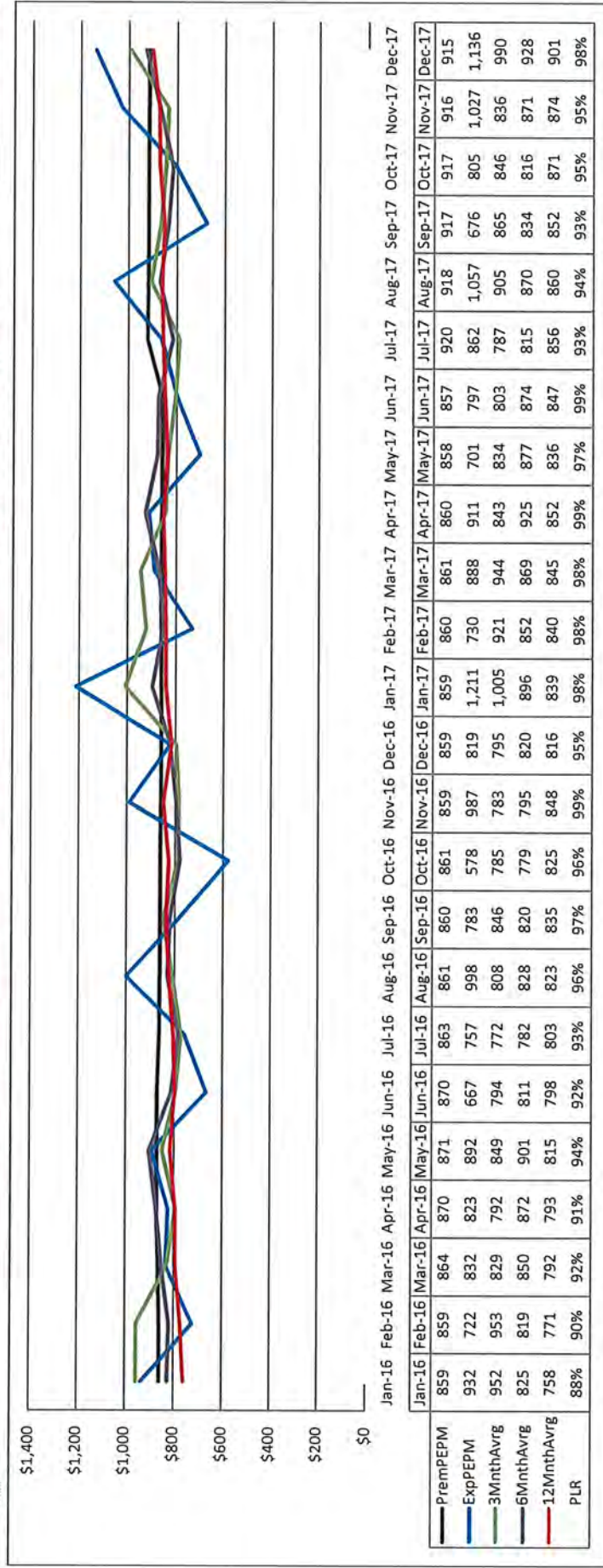




## Carson City



**Premium as a Per Member Per Month & Claims as Per Member Per Month / Rolling 3-6-12 Month Averages**



~ as presented by Kevin Monaghan

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## External Reporting Package

<b><u>Group Name:</u></b>	Carson City
<b><u>Group Numbers:</u></b>	GRP0004227
<b><u>Current Period:</u></b>	Incurred 1/1/2017 - 12/31/2017; paid through 2/28/2018
<b><u>Base Period:</u></b>	Incurred 1/1/2016 - 12/31/2016; paid through 2/28/2018
<b><u>Notes:</u></b>	<ul style="list-style-type: none"><li>- High Cost Claim defined as a member who has incurred &gt;\$50k in medical costs incurred/paid in the given time period</li><li>- Medical Costs inclusive of IBNR, capitation, and reinsurance</li></ul>
<b><u>Contents:</u></b>	<ol style="list-style-type: none"><li>1. Benefit Cost Ratio</li><li>2. High Cost Claims Summary</li></ol>

## Benefit Cost Ratio

Base Period: Incurred 1/1/2016 - 12/31/2016; paid through 2/28/2018

Current Period: Incurred 1/1/2017 - 12/31/2017; paid through 2/28/2018

Base Period									
Period	Subscribers	Members	Total Premium	Completed Medical Cost	Rx Cost	Total Medical & Rx Cost	Premium pmpm	Medical pmpm	BCR
201601	694	1,384	\$595,819	\$566,045	\$80,832	\$646,877	\$430.50	\$467.40	108.6%
201602	693	1,384	\$595,163	\$405,221	\$95,219	\$500,440	\$430.03	\$361.59	84.1%
201603	694	1,400	\$599,336	\$500,206	\$77,007	\$577,212	\$428.10	\$412.29	96.3%
201604	695	1,418	\$604,581	\$489,433	\$82,758	\$572,191	\$426.36	\$403.52	94.6%
201605	691	1,409	\$601,778	\$511,333	\$104,787	\$616,120	\$427.10	\$437.27	102.4%
201606	695	1,418	\$604,920	\$378,649	\$84,885	\$463,535	\$426.60	\$326.89	76.6%
201607	702	1,415	\$605,702	\$440,158	\$91,480	\$531,638	\$428.06	\$375.72	87.8%
201608	702	1,409	\$604,562	\$567,888	\$132,534	\$700,422	\$429.07	\$497.11	115.9%
201609	705	1,412	\$606,281	\$462,668	\$89,405	\$552,073	\$429.38	\$390.99	91.1%
201610	709	1,423	\$610,440	\$314,701	\$94,825	\$409,527	\$428.98	\$287.79	67.1%
201611	711	1,429	\$610,847	\$587,946	\$113,535	\$701,481	\$427.46	\$490.89	114.8%
201612	712	1,429	\$611,603	\$488,666	\$94,803	\$583,469	\$427.99	\$408.31	95.4%
<b>Total</b>	<b>8,403</b>	<b>16,930</b>	<b>\$7,251,034</b>	<b>\$5,712,913</b>	<b>\$1,142,070</b>	<b>\$6,854,983</b>	<b>\$428.30</b>	<b>\$404.90</b>	<b>94.5%</b>

Current Period									
Period	Subscribers	Members	Total Premium	Completed Medical Cost	Rx Cost	Total Medical & Rx Cost	Premium pmpm	Medical pmpm	BCR
201701	705	1,417	\$605,679	\$770,244	\$83,718	\$853,962	\$427.44	\$602.65	141.0%
201702	697	1,405	\$599,502	\$425,767	\$83,341	\$509,108	\$426.69	\$362.35	84.9%
201703	697	1,405	\$600,072	\$504,689	\$114,349	\$619,039	\$427.10	\$440.60	103.2%
201704	700	1,408	\$602,195	\$544,198	\$93,739	\$637,937	\$427.70	\$453.08	105.9%
201705	699	1,406	\$599,874	\$376,154	\$114,173	\$490,327	\$426.65	\$348.74	81.7%
201706	698	1,400	\$598,425	\$454,526	\$101,484	\$556,010	\$427.45	\$397.15	92.9%
201707	701	1,411	\$645,212	\$510,348	\$93,951	\$604,299	\$457.27	\$428.28	93.7%
201708	701	1,406	\$643,370	\$622,981	\$117,917	\$740,898	\$457.59	\$526.95	115.2%
201709	701	1,405	\$643,029	\$373,165	\$100,869	\$474,034	\$457.67	\$337.39	73.7%
201710	701	1,403	\$643,068	\$460,926	\$103,113	\$564,040	\$458.35	\$402.02	87.7%
201711	705	1,409	\$645,504	\$601,308	\$122,381	\$723,690	\$458.13	\$513.62	112.1%
201712	709	1,417	\$648,950	\$666,968	\$138,739	\$805,706	\$457.97	\$568.60	124.2%
<b>Total</b>	<b>8,414</b>	<b>16,892</b>	<b>\$7,474,878</b>	<b>\$6,311,275</b>	<b>\$1,267,775</b>	<b>\$7,579,049</b>	<b>\$442.51</b>	<b>\$448.68</b>	<b>101.4%</b>

**Notes:**

- Total Premium reflected is total billed premium, which includes commissions, and state and federal premium taxes and fees.
- Total Medical Costs includes IBNR, capitation, and reinsurance costs



### High Cost Claims

Base Period: Incurred 1/1/2016 - 12/31/2016; paid through 2/28/2018  
 Current Period: Incurred 1/1/2017 - 12/31/2017; paid through 2/28/2018

Base Period			
Member	Primary Medical ICD	ICD Description	Paid Amount
Member 1	Z51.12	Enc Antineoplastic Immunotherapy	\$632,136
Member 2	N18.6	End Stage Renal Disease	\$411,664
Member 3	A41.9	Sepsis Unspecified Organism	\$162,401
Member 4	Z51.11	Encounter For Antineoplastic Chemo	\$143,949
Member 5	I49.01	Ventricular Fibrillation	\$126,141
Member 6	M00.261	Oth Streptococcal Arthritis Rt Knee	\$119,322
Member 7	K50.80	Crohns Dz Both Sm Lg Intest No Comp	\$102,014
Member 8	S82.141A	Dspl Bicondylar Fx Rt Tib Init Clo	\$90,133
Member 9	S27.0XXA	Traumatic Pneumothorax Initial Enc	\$79,551
Member 10	I21.4	Non-St Elevation Myocardial Infarct	\$68,685
Member 11	G47.33	Obstructive Sleep Apnea	\$65,721
Member 12	M17.12	Uni Prim Osteoarthritis Lt Knee	\$65,123
Member 13	N18.6	End Stage Renal Disease	\$61,603
Member 14	K44.0	Diaph Hernia W/Obst W/O Gangrene	\$58,621
Member 15	S06.0X1A	Concussion W/Loc 30 Min/< Init Enc	\$55,777
Member 16	P36.9	Bacterial Sepsis Newborn Uns	\$54,359
Member 17	H35.3131	Nonexudat Age-Rel Mac Degen Bil Early Dry Stage	\$50,200
<b>Total</b>			<b>\$2,347,400</b>

Current Period			
Member	Primary Medical ICD	ICD Description	Paid Amount
Member 1	Z51.12	Enc Antineoplastic Immunotherapy	\$411,616
Member 2	K50.80	Crohns Dz Both Sm Lg Intest No Comp	\$217,917
Member 3	C71.2	Malignant Neoplasm Of Temporal Lobe	\$198,632
Member 4	K63.2	Fistula Of Intestine	\$197,734
Member 5	C71.9	Malignant Neoplasm Of Brain Unspec	\$164,081
Member 6	I25.10	Ashd Native Ca W/O Angina Pectoris	\$146,107
Member 7	K52.9	Noninfective Ge & Colitis Uns	\$120,549
Member 8	I49.5	Sick Sinus Syndrome	\$120,347
Member 9	T81.31XA	Disrupt Ext Op Surg Wound Nec Init	\$114,074
Member 10	M89.8X8	Other Spec Disorders Bone Oth Site	\$100,817
Member 11	S83.511A	Sprain Acl Right Knee Initial Enc	\$90,669
Member 12	I21.4	Non-St Elevation Myocardial Infarct	\$89,569
Member 13	I25.5	Ischemic Cardiomyopathy	\$88,927
Member 14	G35	Multiple Sclerosis	\$78,985
Member 15	Z12.11	Enc Screen Malig Neoplasm Colon	\$73,188
Member 16	S72.351A	Dspl Commnt Fx Shft Rt Fem Init Clo	\$58,252



# Prominence<sup>®</sup>

## Health Plan

Carson City

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Member 17	Q28.3	Oth Malformations Cerebral Vessels	\$55,958
Member 18	I48.91	Unspecified Atrial Fibrillation	\$54,715
Member 19	H35.3131	Nonexudat Age-Rel Mac Degen Bil Early Dry Stage	\$54,521
Member 20	A41.9	Sepsis Unspecified Organism	\$53,739
Member 21	G47.33	Obstructive Sleep Apnea	\$52,404
Member 22	M17.12	Uni Prim Osteoarthritis Lt Knee	\$51,146
<b>Total</b>			<b>\$2,593,948</b>

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**Notes:**

- High Cost Cases include members with >\$50k in incurred/paid claims in the given time period
- Total Paid include both Medical and Rx costs
- Diagnosis noted is the primary medical cost diagnosis associated with the member
- Prior period detailing ICD9, current period is ICD10

Market Survey Analysis

Prepared for

*Carson City*

Presented By:

LP Insurance Services  
Employee Benefits Division



Effective: July 1, 2018

LP Insurance Services, Inc.  
License #710906

INSURANCE BROKERS \* EMPLOYEE BENEFIT CONSULTANTS

Carson City  
Response To Bid

CARRIERS CONTACTED		BID RESPONSE		%Over/Under current
<b>Medical</b>				
Prominence	Current/Renewal	5.0%		
*Hometown Health and United Healthcare were contacted to provide proposals; however, all three carriers were asked to match current benefits at 5%, and Prominence was the only carrier able to do so by the deadline				
<b>Dental</b>				
Standard	Current/Renewal	9.0%		
Anthem	Presented	-1.0%		
Met Life	Limited Network - Not Presented	-3.8%		
Sun Life	Limited Network - Not Presented	-2.9%		
Premier Access	Limited Network - Not Presented	-2.1%		
Aetna	Not Competitive	-0.1%		
Kansas City Life	Not Competitive	0.0%		
Mutual of Omaha	Not Competitive	0.0%		
Reliance Standard	Not Competitive	0.0%		
Delta	Not Competitive	2.7%		
Humana	Retirees Not Included	-7.2%		
Ameritas	Declined to Quote	DTQ		
Best Life	Declined to Quote	DTQ		
Guardian	Declined to Quote	DTQ		
Lincoln	Declined to Quote	DTQ		
Principal	Declined to Quote	DTQ		
United Healthcare	Declined to Quote	DTQ		
Unum	Declined to Quote	DTQ		
<b>Life</b>				
Standard	Current/Renewal	0.0%		
Anthem	Presented	-16.7%		
Kansas City Life	Not Competitive	-3.3%		
Hartford	Not Competitive	-2.7%		
Met Life	Not Competitive	-1.7%		
Mutual of Omaha	Unable to Match Current Classes	-		
Best Life	Declined to Quote	-		
Guardian	Declined to Quote	-		
Humana	Declined to Quote	-		
Lincoln Financial	Declined to Quote	-		
Principal	Declined to Quote	-		
Reliance Standard	Declined to Quote	-		

Carson City -  
Medical Benefits & Cost Comparison

Carrier	Prominence HMO \$1500		Prominence POS \$1500		Prominence HMO HD Core 1		Prominence HMO \$1500		Prominence POS \$1500	
	Current	Renewal	Current	Renewal	Current	Proposed	Current	Proposed	Current	Proposed
Network										
Individual Calendar Year Deductible	\$1,500	\$1,500	\$3,500	\$4,500	\$1,700	\$1,500	\$1,500	\$1,500	\$3,500	\$4,500
Family Calendar Year Deductible	\$4,500	\$4,500	\$10,500	\$13,500	\$5,400	\$4,500	\$4,500	\$4,500	\$10,500	\$13,500
Individual Calendar Year Out of Pocket Max.	\$6,000	\$6,000	\$6,350	\$9,000	\$2,700	\$6,000	\$6,000	\$6,000	\$6,350	\$9,000
Family Calendar Year Out of Pocket Max.	\$12,000	\$12,000	\$12,700	\$18,000	\$5,400	\$12,000	\$12,000	\$12,000	\$12,700	\$18,000
Primary Physician Copay	\$40	\$40	\$40	50% (d)	0% (d)	\$40	\$40	\$40	\$40	50% (d)
Specialist Physician Copay	\$60	\$60	\$60	50% (d)	0% (d)	\$60	\$60	\$60	\$60	50% (d)
Emergency Room	\$150	\$150	\$150	\$150	0% (d)	\$150	\$150	\$150	\$150	\$150
Urgent Care Center	\$50	\$50	\$50	\$50	0% (d)	\$50	\$50	\$50	\$50	\$50
Lab, X-Ray (Non-Hospital)	\$0, \$50	\$0	30% (d)	50% (d)	0% (d)	\$0	\$0	\$0	30% (d)	50% (d)
MRI, PET, CT Scans (Non-Hospital)	\$100	\$100	\$100	50% (d)	0% (d)	\$100	\$100	\$100	30% (d)	50% (d)
Outpatient Surgery	\$500	\$500	\$400	50% (d)	0% (d)	\$400	\$500	\$400	\$400	50% (d)
Inpatient Hospitalization	\$1,500 (d)	\$1,000 (d)	\$1,000 (d)	50% (d)	0% (d)	\$1,000 (d)	\$1,500 (d)	\$1,000 (d)	\$1,000 (d)	50% (d)
In Network Prescription Benefit:										
Tier I	\$15	\$15	\$15	\$15	0% (d)	\$15	\$15	\$15	\$15	\$15
Tier II	\$40	\$40	\$40	\$40	0% (d)	\$40	\$40	\$40	\$40	\$40
Tier III	\$60	\$60	\$60	\$60	0% (d)	\$60	\$60	\$60	\$60	\$60
Rates:										
Employee	293	\$541.51	\$568.60	\$636.69	\$389.95	\$389.95	\$389.95	\$389.95	\$636.69	\$636.69
Employee + Spouse	73	\$1,110.26	\$1,165.79	\$1,242.98	\$1,305.39	\$1,165.79	\$1,165.79	\$1,165.79	\$1,305.39	\$1,305.39
Employee + Children	96	\$1,039.00	\$1,090.96	\$1,163.20	\$1,221.63	\$748.21	\$1,090.96	\$1,090.96	\$1,221.63	\$1,221.63
Family	113	\$1,696.88	\$1,781.76	\$1,999.72	\$1,995.13	\$1,221.97	\$1,781.76	\$1,781.76	\$1,995.13	\$1,995.13
RATES - RETIRED WITH MEDICARE										
Retiree w/ Medicare (A&B)	21	\$398.56	\$417.73	\$442.18	\$463.24	\$389.95	\$417.73	\$417.73	\$463.24	\$463.24
Retiree + Spouse, both w/ Medicare (A&B)	3	\$845.75	\$886.62	\$939.38	\$984.44	\$799.52	\$886.62	\$886.62	\$984.44	\$984.44
Retiree + Spouse, one w/ Medicare (A&B)	3	\$988.46	\$1,047.80	\$1,114.67	\$1,169.74	\$799.52	\$1,047.80	\$1,047.80	\$1,169.74	\$1,169.74
Retiree + Child(ren), w/ Medicare (A&B)	0	\$1,030.04	\$1,081.50	\$1,152.92	\$1,210.75	\$748.51	\$1,081.50	\$1,081.50	\$1,210.75	\$1,210.75
Retiree + Family, both w/ Medicare (A&B)	0	\$1,032.51	\$1,080.57	\$1,137.22	\$1,188.99	\$1,221.97	\$1,080.57	\$1,080.57	\$1,188.99	\$1,188.99
Retiree + Family, one w/ Medicare (A&B)	1	\$1,198.88	\$1,256.15	\$1,328.16	\$1,390.86	\$1,221.97	\$1,256.15	\$1,256.15	\$1,390.86	\$1,390.86
Monthly Premium	603	\$546,304	\$573,605	\$603,486	\$630,486	TBD*	\$573,605	\$573,605	\$603,486	\$630,486
Annual Premium		\$6,555,649	\$6,883,263	\$7,241,837	\$7,565,844	TBD*	\$6,883,263	\$6,883,263	\$7,241,837	\$7,565,844
\$ over/(under) current		-	-	-	\$62,005	-	\$327,614	\$327,614	\$62,005	\$62,005
% over/(under) current		-	-	-	5.00%	-	5.00%	5.00%	4.99%	4.99%
TOTAL BOTH PLANS COMBINED										
Monthly Premium		\$649,791	\$682,259	\$719,105	\$750,105	\$682,259	\$682,259	\$682,259	\$719,105	\$750,105
Annual Premium		\$7,797,487	\$8,187,105	\$8,629,225	\$9,001,263	\$8,187,105	\$8,187,105	\$8,187,105	\$8,629,225	\$9,001,263
\$ over/(under) current		-	-	-	\$389,618	-	\$389,618	\$389,618	\$389,618	\$389,618
% over/(under) current		-	-	-	5.00%	-	5.00%	5.00%	5.00%	5.00%

Blue = benefit enhancement

Red = benefit reduction

\*Monthly cost is unknown at this point as we do not know how many people will move to the HSA plan. Total cost is based on current enrollments remaining unchanged



**City of Carson City**  
Dental Benefits & Cost Comparison

Carrier	Standard	Anthem
Network	DDS	DDS
Reimbursement	PPO Neg. Fee	PPO Neg. Fee
Individual Calendar Year Deductible	OON MAC	OON MAC
Family Calendar Year Deductible	\$50 \$150	\$50 \$150
Coverage Level:		
Preventive	0%	0%
Basic	20% (d)	20% (d)
Major	45% (d)	45% (d)
Orthodontia (child only)	50%	50%
Coverage:		
Cleaning Frequency	Once Every 6 mos.	2 Every 12 Mo.
Composite Fillings	Anterior Only	Anterior and Posterior
Crowns	Major	Major
Endo and Perio	Basic	Basic
Oral Surgery	Basic	Basic
Implants	Major	Major
Calendar Year Maximum	\$2,000	\$2,000
Orthodontia Lifetime Maximum	\$1,500	\$1,500
Missing Tooth Provision	Yes	Yes
Roll-Over Benefits	Yes	Yes
Waiting Periods (timely applicants):		
Basic	None	None
Major	None	None
Rates:	Current	Proposed
Employee Only	\$48.81	\$48.31
Employee + Spouse	\$68.65	\$74.82
Employee + Child(ren)	\$86.81	\$94.62
Family	\$106.65	\$116.24
Monthly Premium		
Annual Premium	\$48,014 \$576,172	\$47,523 \$570,277
\$ over/(under) current	-	-\$5,895
% over/(under) current	-	-1.02%
Rate Guarantee	12 months	24 months

**Carson City**  
**Vision Benefits & Cost Comparison**

Carrier	EyeMed
Network	Insight
Frequency:	<u>PPO</u> <u>OON</u>
Eye Exam	Every 12 months
Lenses	Every 12 months
Frames	Every 24 months
<b>Schedule of Benefits:</b>	
Vision Exam	\$20 copay            \$40 allowance
Single Vision Lenses	\$25 copay            \$30 allowance
Bifocal Lenses	\$25 copay            \$50 allowance
Trifocal Lenses	\$25 copay            \$70 allowance
Frames	\$140 allowance     \$98 allowance
Contact Lenses - Elective	\$140 allowance     \$140 allowance
<b>Rates:</b>	<b>Current</b>
Employee	370 \$3.85
Employee + Spouse	99 \$7.33
Employee + Children	101 \$7.71
Family	<u>134</u> \$11.34
Monthly Premium	704 \$4,448
Annual Premium	\$53,381
\$ above/(below) current	-
% above/(below) current	-
Rate Guarantee	Renews 7/1/2021

**Carson City**  
Life/AD&D Benefits & Cost Comparison

Carrier	Standard	Anthem
<b>Eligibility</b>	Active and Retired Employees	Active and Retired Employees
<b>Benefit Amount:</b>		
Class 1: Unclassified & Elected	\$35,000	\$35,000
Class 2: Sheriff Personnel	\$50,000	\$50,000
Class 3: Active Fire Members	\$50,000	\$50,000
Class 4: All Other Active Members	\$20,000	\$20,000
Class 5: Retirees	\$10,000	\$10,000
Class 6: Surviving Spouses	\$500, No AD&D	\$500, No AD&D
Dependents, Class 1-5:		
Spouse	\$500	\$500
Child	\$500	\$500
<b>Plan Features:</b>		
Accelerated Death Benefit	80%	75%
Portability	Included	Included
Waiver of Premium	Included	Included
Travel Assistance	Included	Included
<b>Benefit Reduces To:</b>		
at age 65	None	None
at age 70	65%	65%
at age 75	65%	None
<b>Rates:</b>	<b>Current</b>	<b>Proposed</b>
Volume	\$19,096,000	\$19,096,000
Life/AD&D per \$1,000	\$0.300	\$0.250
Dep Life per Unit	\$0.300	\$0.300
<b>Est. Monthly Premium</b>	<b>\$5,729</b>	<b>\$4,774</b>
<b>Est. Annual Premium</b>	<b>\$68,746</b>	<b>\$57,288</b>
<b>\$ over/(under) current</b>	<b>-</b>	<b>-\$11,458</b>
<b>% over/(under) current</b>	<b>-</b>	<b>-16.67%</b>
<b>Rate Guarantee</b>	<b>7/1/2019</b>	<b>24 months</b>



# Carson City

July 1, 2018  
thru  
June 30, 2019

Renewal Contract  
With  
Addendums/Memos





**Carson City**

**July 1, 2018**

**Insurance Coverage Requested:**

Dental/Employees and Dep(s)

Dental/Orthodontia

Life/Employees and Dep(s)

**Dental Rates:**

Employee (EE):	\$48.31
EE + Spouse:	\$67.95
EE + Children:	\$85.92
EE + Spouse + Children:	\$105.56

**Life Rates:**

Life/AD&D per \$1,000:	\$0.25
Dependent Life per Unit:	\$0.30

By signing below, Carson City agrees to the above plan and rates.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Printed Name

# Employer Application



Section 1: Applicant				
Reason for application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Change				
Medical case no.	Dental case no.	Vision case no.	Life case no.	EAP case no.
Group legal name Carson City		Nature of business City/County Government	SIC code	Federal tax ID no. 8 8 6 0 0 0 1 8 9
Street address 201 N Carson St, Suite 4		City Carson City	State NV	ZIP code (5+4) 8 9 7 0 1
Primary group contact name Melanie Bruketta		Primary group contact phone no. 775-283-7088	Primary group contact email address mbruketta@carson.org	
Form of organization: <u>Government Unit/Agency</u>			Number of years in business: _____	
Is the group subject to ERISA? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Does the employer have a cafeteria plan under IRS section 125? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If your Lumenos HSA plan includes cash incentives paid directly to the HSA account, I acknowledge that I offer benefits through a Section 125 Cafeteria plan. Initials: _____				
Employees of the following subsidiaries or affiliates are to be included – Please attach a separate sheet for additional locations.				
Company name: _____		Address: _____		
Company name: _____		Address: _____		

Section 2: Coverage – Select all plans that will be offered and attach your quote/proposal to the application.				
Coverage	Specific plan	Employer contribution (Enter %)		
		Employee	Dependent	
<b>Medical</b>	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
<b>Dental</b>	Dental Prime	See Attached Quote	99	50-75
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
<b>Vision</b>	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
<b>Life and Disability</b>	Employee Life and AD&D	See Attached Quote	100	
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
	Select plan from dropdown or type other plan here			
<b>EAP</b>	Select plan from dropdown or type other plan here			N/A
<b>Health and Wellness</b>	Select plan from dropdown or type other plan here			

Does the group have different employee classes (management vs hourly, administration employees vs field employees, etc.)?  Yes  No  
If so, please provide us the different class break-outs on a separate sheet of paper.

Will the different classes have different employer contribution amounts?  Yes  No  
If so, please provide the contribution amounts for each class on a separate sheet of paper.

Will the different classes have different plan designs or benefit amounts?  Yes  No  
If so, please provide the plan designs or benefit amounts for each class on a separate sheet of paper.

Does the employer self-fund any portion of the deductible, copayments, or cost-shares?  Yes  No If yes, how much?

For Consumer Driven Health Products (HSA, HRA, HIA Plus):

Group wants to establish a Health Savings Account (HSA) with Anthem facilitating with a banking services provider.

Group will establish the Health Savings Account (HSA) but does not want Anthem to facilitate in the creation of the account.

### Section 3: Contribution and minimum enrollment percentage requirements

Anthem Blue Cross and Blue Shield recommends that the employer contribution be at least 50% of the employee rate for the least expensive benefit plan offered for all active employees who are enrolled in the group health plan. The rates for the benefits provided assume that at least 50% of the eligible employees and 75% of Net Eligible employees will participate in the plan.

### Section 4: Prior coverage

Is there other coverage being replaced?  Yes  No If yes, please indicate the carrier and coverage information being replaced.

Name of prior Medical carrier	Type of coverage being replaced (i.e. HMO, PPO)	Prior carrier's annual deductible (if applicable)
Name of prior Dental carrier The Standard	Type of coverage being replaced (i.e. HMO, PPO) PPO	Start date/end date 06/30/2018

### Section 5: Eligibility and enrollment

Eligible employees are:  Active full-time employees working 30 hours per week  
 Active part-time employees working      hours per week  
 Retirees (Retirees must be covered under group plan prior to retirement, and retiree coverage is subject to Underwriting approval.)

Total number of eligible employees enrolling in the Anthem plans:	561 D, 580 L
Total number of employees eligible for employer-sponsored health plan:	580
Total number of eligible employees covered under other non-Anthem health plan:	
Total number of employees (regardless of status who are covered, not covered or covered elsewhere):	580

### Section 6: Waiting period

#### All products sold or medical only

If a waiting period with an asterisk is selected, Anthem will adjust the coverage effective date to ensure the waiting period between enrollees' eligibility date and the effective date of their coverage does not exceed 90 days from date of hire.

Waiting period for:

Select waiting period from drop down

Eligibility/coverage begin date:

Select waiting period from dropdown or type other peric

#### Specialty products only

Waiting period for:

Select waiting period from drop down

Eligibility/coverage begin date:

Select waiting period from dropdown or type other peric

Would you like to waive the waiting period for initial enrollment?  Yes  No  
(i.e., all active full-time employees who have or have not met their probationary period can enroll.)

### Section 7: Eligible dependents

Do you want to offer domestic partner coverage?  Yes  No

Dependent Children — Dependent children are covered until the end of the month in which they become age 26. Unmarried dependent children age 26 or older may be covered as specified by the Certificate. If the group wishes to cover dependent children beyond age 26, please provide the guidelines in which the employer imposes.

Enter guidelines below, if applicable:



**Section 8: Electronic services**

Anthem will deliver plan materials and related items, including but not limited to benefit booklets, summaries, billing statements and other notices, via email or other electronic means. The employer group agrees that it will continue to provide and update Anthem with current email addresses, and the employer group understands that at any time it can request a free copy of these materials by mail or withdraw this authorization by contacting Anthem.

We, the employer, hereby authorize the agent/producer/broker/general agent whose name is attached to this application to use the EmployerAccess system of Anthem or HMO Nevada to access the group's information, such as but not limited to enrollees, plan selections, and bills/invoices. Such agent/producer/broker/general agent is also hereby authorized to use the EmployerAccess system of Anthem or HMO Nevada to make changes to the group's information on behalf of the group, such as but not limited to adding/deleting plans, adding/deleting employees, and or changing employee demographic information. These authorizations shall terminate if the group's designated agent/producer/broker/general agent changes.

Check this box ONLY if the group elects to opt-out of authorizing the agent/producer/broker/general agent to access and change the group's information on behalf of the group.

**Section 9: Broker information**

Brokerage name LP Insurance Services		Brokerage tax ID no. 273054238	
Brokerage street address 300 E 2nd St, Ste 1300	City Reno	State NV	ZIP code 89501
Brokerage phone no. 775-996-6000	Broker status: <input checked="" type="checkbox"/> New <input type="checkbox"/> Existing		
Broker commission per contract per month: _____ PCPM or Medical commission percentage: _____ % Dental: 0 % Vision: _____ % Life: 0 % Disability: _____ % EAP: _____ % Is the above commission standard? <input type="checkbox"/> Yes <input type="checkbox"/> No Commissions to be paid to: <input type="checkbox"/> Broker <input type="checkbox"/> Brokerage <input type="checkbox"/> General Agent <input type="checkbox"/> General Agency Anthem Broker Number of the agent or agency receiving commissions: _____			
<b>Broker Certification -- I hereby certify:</b> 1. I have reviewed the attached employee and employer applications and waivers for completeness and accuracy. 2. I have not completed any of the information contained in the applications except with the permission of the applicant and as noted by my initials and date on the application. 3. I have not signed any of the applications for an employer representative or individual applicant. If after submission of this application, I request any additions or changes to any of the above information, I will do so only with the written consent of the applicant, and I authorize Anthem or HMO Nevada to attribute such additions or changes to me. 4. I have advised the employer that a failure to provide complete and accurate information may result in a loss of coverage retroactive to the effective date of coverage or re-rating of the employer's premium retroactive to the coverage effective date and that coverage shall not be effective until Anthem or HMO Nevada reviews and approves the application and the employer receives a written notice from Anthem or HMO Nevada. 5. I am the appointed broker and am receiving commissions for the submission of this client. I have disclosed to the applicant all compensation I will or may be eligible to receive as a result of the applicant's business. Absent the written signed consent of Anthem, no portion of my commission payments from Anthem shall be paid to a broker/producer not appointed/approved by Anthem.			
Authorized Broker of Record signature <b>X</b>	Printed name Lloyd Barnes	Date (MM/DD/YYYY)	
Broker tax ID no. 273054238	Broker email address kevin.monaghan@pins.net		
Authorized General Agent signature <b>X</b> <i>Melanie Bruketta</i>	Printed name MELANIE BRUKETTA	Date (MM/DD/YYYY) 04/20/2018	
General agent tax ID no. 886000189	General agent email address mbruketta@ccarson.org		



**Section 10: General agreement – Read carefully**

Effective date requested

0 7 | 0 1 | 2 0 | 1 8

Actual date will be assigned by Anthem or HMO Nevada if application is accepted.

Upon acceptance of the application, the Group will inform all persons who are eligible for coverage that they may apply for Anthem Blue Cross and Blue Shield (Anthem) or HMO Nevada coverage under the Agreement/Policy.

Application is hereby made to Anthem or HMO Nevada, or the appropriate affiliated company, for a Group Benefit Agreement/Group Policy providing health service benefits. If this application is accepted, an Agreement/Policy will be issued which will set forth the terms, benefits and conditions of the relationship between the Group and Anthem or HMO Nevada. This application will become part of that Agreement/Policy.

It is understood that no agent or representative except the President, a Vice President, or the Secretary has power on behalf of Anthem or HMO Nevada to bind Anthem or HMO Nevada to accept risk, issue an Agreement/ Policy, or commit to particular provisions of an Agreement/ Policy. The quote/proposal along with this application will become part of the Agreement/Policy. No coverage will come into effect unless and until this application is accepted. If accepted, the terms of the relationship will be defined entirely within an Agreement/ Policy.

The employer group agrees that by signing this document, they are representing themselves as a large employer group as defined by applicable law and that it understands that by electing to apply for the above products it may be ineligible to later select small group plan options.

To be eligible for coverage under Anthem Life Insurance Company (Anthem Life) products, an employee must be actively at work on a full-time basis on the effective date of his or her coverage. The group employees that are not presently actively at work and/or are not expected to be actively at work on the requested group effective date should be provided on the Actively at Work Statement. Anthem Life may make an exception and assume liability, subject to Underwriting approval, for certain employees. Unless this exception is applied for and granted as indicated on the Request to Waive Actively at Work Provision Form, they will not be covered under Anthem Life products until they return to active work.

If life and/or disability products were elected in Section 2, the undersigned employer and/or authorized representative hereby requests that it be approved for insurance coverage through Anthem Life. Employer understands and represents to the best of his knowledge and belief the following, and if approved for coverage, agrees by payment of the required premiums; and the authorized representative certifies on behalf of the employer:

1. To comply with all terms and provisions of the Group Contract(s) issued, and trust agreements, if applicable, and also accepts enrollment under the Anthem Life trust policy(ies), if applicable.
2. To provide notice of applicable conversion rights to eligible employees and eligible dependents.
3. Regarding life and/or disability insurance, statements of medical history will be required of employees, and dependents, when applying for insurance within or outside the time frames or amount of coverage limits established by Anthem Life.

**ARBITRATION AGREEMENT (Not applicable to life and disability coverage)**

IF THE GROUP IS NOT SUBJECT TO ERISA, ANY DISPUTE BETWEEN A PERSON COVERED UNDER THE AGREEMENT/POLICY AND ANTHEM BLUE CROSS AND BLUE SHIELD (ANTHEM), INCLUDING CLAIMS FOR MEDICAL MALPRACTICE, MUST BE RESOLVED BY BINDING ARBITRATION, IF THE AMOUNT IN DISPUTE EXCEEDS THE JURISDICTIONAL LIMIT OF SMALL CLAIMS COURT, AND THE DISPUTE CAN BE SUBMITTED TO BINDING ARBITRATION UNDER APPLICABLE FEDERAL AND STATE LAW, INCLUDING BUT NOT LIMITED TO, THE PATIENT PROTECTION AND AFFORDABLE CARE ACT, NOT BY LAWSUIT OR RESORT TO COURT PROCESS, EXCEPT AS NEVADA LAW PROVIDES FOR JUDICIAL REVIEW OF ARBITRATION PROCEEDINGS. UNDER THIS COVERAGE, BOTH THE PERSON COVERED AND ANTHEM ARE GIVING UP THE RIGHT TO HAVE ANY DISPUTE DECIDED IN A COURT OF LAW BEFORE A JURY. IF THE GROUP IS SUBJECT TO ERISA, DISPUTES INVOLVING AN ADVERSE BENEFIT DETERMINATION FOR A HEALTH CLAIM ARE NOT SUBJECT TO BINDING ARBITRATION, BUT, MUST FOLLOW THE ERISA CLAIMS APPEAL PROCESS.

Employer signature

I understand and agree to all of the above.

Authorized employer signature

*Melanie Bruketa*

Printed name of officer, partner or proprietor

MELANIE BRUKETA

Title

HR Director

Date (MM/DD/YYYY)

04/20/2018

# Client Implementation Questionnaire



**Important information** – To help avoid delays or inaccuracies in the implementation of your plan and the creation of plan materials, it is important that you provide us with complete and current information as requested below.

<b>Section 1: Group information</b>			
Indicate group name as it should appear on billing statement (33 characters): C a r s o n , C i t y			
If other than Legal name is to appear on EOCs or separate EOCs for other divisions are needed, list names below.			
<b>Group mailing address, if different than physical street address:</b>			
Street address 201 N Carson St, Suite 4	City Carson City	State NV	ZIP code 89701
Main phone no.	Main fax no.		
<b>Section 2: Decision maker</b>			
<b>This individual will interface with Anthem Blue Cross and Blue Shield (Anthem) for major decisions regarding my account:</b>			
Name Melanie Bruketta	Title Human Resources Director		
Street address 201 N Carson St, Suite 4	City Carson City	State NV	ZIP code 89701
Phone no. 775-283-7088	Fax no.	Email address mbruketta@carson.org	
<b>Section 3: Group administrator</b>			
<b>This individual will interface with Anthem on all nonbilling related issues/service issues:</b>			
Name Same as above	Title		
Street address	City	State	ZIP code
Phone no.	Fax no.	Email address	
<b>Section 4: Designated HIPAA representative</b>			
<b>This individual is authorized to receive and securely handle protected health information – not specific to individual HIPAA authorizations for claims:</b>			
Name Same as above	Title		
Street address	City	State	ZIP code
Phone no.	Fax no.	Email address	
<b>Section 5: Billing contact</b>			
<b>This individual will interface with Anthem on all billing related issues – if same as above, indicate same:</b>			
Name Jacque Cassinelli	Title HR Generalist		
Street address 201 N Carson St, Suite 4	City Carson City	State NV	ZIP code 89701
Phone no. 775-283-7043	Fax no.	Email address jcassinelli@carson.org	

In Colorado: Anthem Blue Cross and Blue Shield is the trade name of Rocky Mountain Hospital and Medical Service, Inc. HMO products underwritten by HMO Colorado, Inc. In Nevada: Anthem Blue Cross and Blue Shield is the trade name of Rocky Mountain Hospital and Medical Service, Inc. HMO products underwritten by HMO Colorado, Inc., dba HMO Nevada. Independent licensees of the Blue Cross and Blue Shield Association. ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.



**Section 6: Payment information – Please complete the following payment information.**

**Initial premium – Choose one of the following options for initial premium payment.**

- Wire Payment** – Client arranges for wire transfer with their financial institution prior to any transactions being transmitted. There may be a cost from their financial institution. Anthem will supply client with Anthem banking information.
- ACH Payment** – Client fills out below EFT form and Anthem sets up initial payment on the client's behalf.
- Paper Check** – Not recommended, but check would need to be overnighted to the Implementation Team.

**Ongoing premiums – Choose one of the following options for FUTURE RECURRING monthly premium payments.**

- Wire Payment** – Client arranges for wire transfer with their financial institution prior to any transactions being transmitted. There may be a cost from their financial institution. Anthem will supply client with Anthem banking information.
- ACH Payment** – Client fills out below EFT form and Anthem sets up ongoing payment on the client's behalf.
- EmployerAccess** – Client sets up banking information on Anthem's web portal for establishing payment instructions and scheduling payments for one or more invoices.

If ACH Payment was chosen as an initial or ongoing payment option, please enter the date (1-28) payment should be withdrawn monthly from your designated account. Premiums are contractually due on the first of each month for the current billing period (i.e. Premium Due Date July 1 for July 1 to August 1 billing period).

Date premiums to be withdrawn each month: [ ] [ ] (DD)

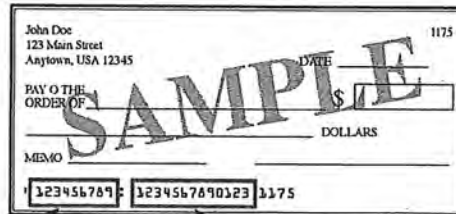
**Financial institution information for initial and/or future recurring payment**

Financial institution name

Financial institution street address	City	State	ZIP code
--------------------------------------	------	-------	----------

Transit routing number	Account number	Account type <input type="checkbox"/> Checking <input type="checkbox"/> Savings
------------------------	----------------	--

Please note we are unable to accept the following checks or account types: money orders, credit card, third-party, cashier's, traveler's and government checks.



Transit routing number      Account number

**Is the financial institution information for monthly recurring premium payments the same as above?**

Yes  No If yes, please sign below in the *Authorization information* section.

**If you answered "No" above please complete the following:**

Financial institution name

Financial institution street address	City	State	ZIP code
--------------------------------------	------	-------	----------

Transit routing number	Account number	Account type <input type="checkbox"/> Checking <input type="checkbox"/> Savings
------------------------	----------------	--

**Authorization information**

This transaction will appear on your next bank statement as an Electronic Funds Transfer (EFT).

I hereby authorize Anthem Blue Cross and Blue Shield and/or HMO Colorado dba HMO Nevada and/or Anthem Life Insurance Company to debit our account for **payment by electronic transfer** for initial and/or recurring payments due under this and any future product in which your group enrolls. If this item is returned unpaid, I may be charged an additional fee for each payment returned for insufficient funds.

<input type="checkbox"/> I agree	Authorized signature: Please type name: <b>X</b>	Title	Date (MM/DD/YYYY)
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**Section 7: Billing information**

**How would you like your bill to appear?**

One bill in alpha order  One bill *other than* alpha order  Multiple bills in alpha order  Multiple bills *other than* alpha order

Please provide "other than" details

Dept codes  Employee codes  Group no. order  Other – add comments: \_\_\_\_\_

**Please note:** When new hires are effective first of the month, additions and terminations are effective on the first of the month following the event. Standard process is for Anthem to process enrollment based on the following washout code.

Activity	Wash-out code 16*
Enrollment	Enrolled on the first - 15th premium charged from the first of current month. Enrolled 16th - 31st premium charged beginning the first of the next month.
Contract changes	Dates of events: first - 15th, premium charged from the first of current month. Dates of events 16th - 31st, premium charged from the first of next month.
Terminations	Benefits terminated: first - 15th, premium credited from the first of current month. Benefits terminated 16th - 31st, premium credited from the first of next month.

\*If group would like to bill based on a different method, please list the billing preference below and speak to your Sales Representative about getting the option approved. Billing preference: \_\_\_\_\_

**Fully-insured and ASO groups only:** The standard billing date for fully-insured premiums and ASO fees on CO/NV plans is the 13th of the month with premium due on the 1st of the next month. The bill is generated on the 13th for the next month's premium (i.e. Invoice is generated July 13th for August premium with August premium due August 1st). Unless another date is provided, the bills will go out on this date.

Other billing date needed: [ ] [ ] (DD)

**Section 8: Terminations**

Terminations will be effective on:

The first of the month following the date of the event (Anthem standard)  Actual date of the event

For Colorado Fully-insured accounts – term notifications must be provided to Anthem on date of event.

**Section 9: Dependents**

(Anthem standard) The term "child" includes unmarried children of any age medically certified as disabled and children under 26 years old regardless of student status, marital status, financial dependency, eligibility for group sponsored insurance, eligibility as an employee under the same plan, or service in the armed forces. Children can be covered under one, but not both, parents when both parents work for the same employer and are covered under the same Anthem plan.

If the group refers to the term "child" in any other manner, please list the definition here and speak to your Sales Representative about getting this definition approved.

Definition of term "child": \_\_\_\_\_

**Section 10: Additional information**

**Third-Party Administration (TPA)**

Will a TPA perform any functions for your group?  Yes  No

If yes, please provide the name of the TPA: \_\_\_\_\_

If yes, what portion of your business do you use the TPA for?  Active employees  COBRA  Both

Should the bills be sent directly to the TPA?  Yes  No

If bills should be sent directly to the TPA, what portion of the bills should go to the TPA?  Active employees  COBRA  Both

If any portion of the bill needs to be sent directly to the TPA, please provide the following TPA contact information.

Contact name at the TPA office	Contact email	Contact phone no.	
Contact street address (where bill will be mailed)	City	State	ZIP code

**Approved leave of absence**

Anthem standard is employee remains eligible during an approved leave of absence up to three months. If employer group has a different policy, please list it here.

Different policy: Employee may be approved for 12 month LOA, but premiums can be payed to maintain coverage

**Rehire policy**

Health Care Reform requires rehires to be eligible on the date of rehire if rehired within 13 weeks or 91 calendar days. If the group wishes to extend the time in which rehires can be rehired on the date of rehire, please provide the amount of time in which rehires can be rehired: \_\_\_\_\_

**Reporting**

Do you need any special segmentation for reporting purposes (i.e. employee locations, employee classes, etc.)?  Yes  No

Please note that segmentation must include groups of people with 25 or more people included in them.

If yes, please list segmentation requested: Dental = active employee, retiree, cobra Life = \$6,500, \$10,000, \$20,000, \$35,000, \$50,000

**Stoploss (ASO only)**

Was Stoploss purchased?  Yes  No

If yes, what kind of stoploss was purchased?  Aggregate  Specific  Both



**Section 11: Enrollment information**

Custom enrollment form?  Yes  No If yes, please provide Anthem the form you would like to use for approval and/or changes if necessary.

Do you want your company's logo or any other additional information besides the standard information listed on the identification cards?  Yes  No  
(Please note that this is subject to the identification card team's approval.)

If yes, please list what customizations are being requested:

Where would you like initial identification cards mailed?

- Employee's residence (as indicated on the Member Enrollment Application), recommended
- Group (as indicated on the Employer Application)
- Broker (as indicated on the Employer Application)

Where would you like maintenance identification cards (i.e., new hires) mailed?

- Employee's residence (as indicated on the Member Enrollment Application), recommended
- Group (as indicated on the Employer Application)
- Broker (as indicated on the Employer Application)

Do you have 20 or more associates residing outside of the following states: CA, CO, NV, WI, MO, IN, KY, OH, GA, VA, NY, NH, CT and/or ME?  Yes  No

Please choose one of the following options for how initial enrollment will be loaded into Anthem's system:

- ~~Census Tool~~ – Enhanced Excel file with built in macros used for medical, dental (including Prime and Complete), vision, life and disability enrollments (Anthem will supply a customized Excel document.)
- ~~834 File or Anthem Proprietary File Format~~ (4-6 weeks set-up time required) – File comes in through the EDI gateway and is then processed through the electronic eligibility work flow. (834 is a standard file format in the industry.)
- ~~EmployerAccess~~ – An easy to access online tool that allows the group/broker to quickly make enrollment additions, changes and terminations.
- ~~Real Time Connection~~ (4-6 weeks set-up time required) – Establishes direct connectivity to Anthem's System which allows single-record processing through Anthem Web Services. Success and failure responses are sent to the sender within seconds.
- ~~Paper applications~~ (not recommended) – The group will send in paper applications for processing.

If 834/Anthem Proprietary File Format or Real Time Connection was selected as the initial enrollment option, please list the vendor associated with the file and the vendor's email address.

Vendor	Vendor email
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Please choose one of the following options for how ongoing enrollment will be loaded into Anthem's system:

- ~~Census Tool~~ – Enhanced Excel file with built in macros used for medical, dental (including Prime and Complete), vision, life and disability enrollments (Anthem will supply a customized Excel document.)
- ~~834 File or Anthem Proprietary File Format~~ (4-6 weeks set-up time required) – File comes in through the EDI gateway and is then processed through the electronic eligibility work flow. (834 is a standard file format in the industry.)
- ~~EmployerAccess~~ – An easy to access online tool that allows the group/broker to quickly make enrollment additions, changes and terminations.
- ~~Real Time Connection~~ (4-6 weeks set-up time required) – Establishes direct connectivity to Anthem's System which allows single-record processing through Anthem Web Services. Success and failure responses are sent to the sender within seconds.

If 834/Anthem Proprietary File Format or Real Time Connection was selected as the ongoing enrollment option, please list the vendor associated with the file and the vendor's email address.

Vendor	Vendor email
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**Evidence of Coverage (EOC) production and delivery – mark all that apply**

English EOCs are available on anthem.com once members register and log in after they are enrolled. Electronic version of EOC will be sent out to:

- Group administrator
- Decision maker
- Other

Contact name	Email
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**Coordination of Benefits**

Standard Coordination of Benefits policy for Anthem in CO/NV is to pay and pursue (meaning Anthem will pay claims if members are eligible and if any possible other coverage situations arise, Anthem will then pursue the possibility of payment by other parties). Please advise your employees of this policy as Anthem may request additional information after a claim has already been processed.

**Consumer Driven Health Plans only**

Are you using an Anthem associated banking arrangement with your HSA or HRA plan?  Yes  No If yes, please choose which bank you will be using?  
 BenefitWallet  HealthEquity  HSA Bank  UMB Bank

What pro-ration method will you be using to fund members' accounts under your HRA/HIA Plus plan?  
 N/A  Monthly (Standard)  Quarterly  Annually

Will members be carrying over balances from an existing HRA?  Yes  No  N/A

**Section 12: General benefits**

Deductibles and accumulators for medical are based on:

Calendar year (Jan - Dec)  
 Benefit year (month policy is obtained through that same month next year)

Are all the medical products purchased based on the same calendar year or benefit year deductibles and accumulation?  Yes  No  
If no, please describe which policies are based on calendar year and which are based on benefit year: \_\_\_\_\_

Are all the ancillary products purchased based on the same calendar year or benefit year deductibles and accumulation?  Yes  No  
If no, please describe which policies are based on calendar year and which are based on benefit year: \_\_\_\_\_

Did the group purchase any alternative networks?  Yes  No

If yes, please indicate which states the alternative networks were purchased in: \_\_\_\_\_

Were any of the following special programs purchased?  Yes  No If yes, check all that apply:

Anthem Health Guide  Anthem Health Marketplace  Anthem Health Rewards  Ash Gym Membership

**ASO groups only:**

1. National Claims Negotiation (NCN) is a vendor Anthem uses to negotiate nonparticipating provider claims to a reduced dollar amount. There is no additional charge for this service and it is a standard enhancement, unless otherwise declined.  Decline
2. Was a buy-up purchased for pre-authorization requirements on physical or occupational therapy?  Yes  No
3. Was AIM Specialty Health (decision support on high cost services) bought?  Yes  No

**Section 13: Pharmacy**

If ESI pharmacy was purchased through Anthem, select the formulary purchased?

Essential  National

Was pharmacy carved out?  Yes  No If yes, list the pharmacy vendor and a contact at the vendor for us to reach out to.

Pharmacy vendor	Contact name	Contact email	Contact phone no.
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**Section 14: Dental Prime/Complete (Dental PPO)**

Dental/Prime and Complete sold?  Yes  No

Do you want to apply amounts used and/or import annual maximum carry-over amounts from your prior carrier?  Yes  No

If yes, please indicate which benefits will be credited from the prior carrier. (Please provide prior carrier Excel file.):

Deductible and annual maximum:  Yes  No

Orthodontic lifetime maximum:  Yes  No

Annual maximum carry-in:  Yes  No

**Section 15: Health and wellness**

Were additional products outside the standard Health & Wellness products purchased?  Yes  No

If yes, please list all additional H&W products purchased: \_\_\_\_\_



**Section 16: Life and disability coverage**

Life and/or disability sold?  Yes  No If no, skip to next section.

Check all plans that have been purchased		Billing type	Age band changes and benefit reductions occur:	Spouse rates are based on:
<input checked="" type="checkbox"/>	Life and AD&D	<input checked="" type="checkbox"/> List-bill <input type="checkbox"/> Self-bill		
<input type="checkbox"/>	Life – No AD&D	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill		
<input checked="" type="checkbox"/>	Dependent Life	<input checked="" type="checkbox"/> List-bill <input type="checkbox"/> Self-bill		
<input type="checkbox"/>	Optional Voluntary Life	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> First of the month following date of birth <input type="checkbox"/> Group anniversary	<input type="checkbox"/> Employee date of birth <input type="checkbox"/> Spouse date of birth
<input type="checkbox"/>	Optional Voluntary AD&D	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> First of the month following date of birth <input type="checkbox"/> Group anniversary	<input type="checkbox"/> Employee date of birth <input type="checkbox"/> Spouse date of birth
<input type="checkbox"/>	Optional Voluntary Dependent Life	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> First of the month following date of birth <input type="checkbox"/> Group anniversary	<input type="checkbox"/> Employee date of birth <input type="checkbox"/> Spouse date of birth
<input type="checkbox"/>	Optional Dependent AD&D	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> First of the month following date of birth <input type="checkbox"/> Group anniversary	<input type="checkbox"/> Employee date of birth <input type="checkbox"/> Spouse date of birth

Check all plans that have been purchased		Billing type	Pre- or post-tax deductions	W2/FICA services
<input type="checkbox"/>	Short Term Disability*	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> Pre-tax <input type="checkbox"/> Post-tax <input type="checkbox"/> N/A	W2 prep included. To opt out, please complete and return W2/FICA Opt Out form
<input type="checkbox"/>	Long Term Disability	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> Pre-tax <input type="checkbox"/> Post-tax <input type="checkbox"/> N/A	W2 & FICA prep included. To opt out, please complete and return W2/FICA Opt Out form
<input type="checkbox"/>	Voluntary Short Term Disability*	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> Pre-tax <input type="checkbox"/> Post-tax <input type="checkbox"/> N/A	W2 prep included. To opt out, please complete and return W2/FICA Opt Out form
<input type="checkbox"/>	Voluntary Long Term Disability	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> Pre-tax <input type="checkbox"/> Post-tax <input type="checkbox"/> N/A	W2 & FICA prep included. To opt out, please complete and return W2/FICA Opt Out form
<input type="checkbox"/>	ASD Short Term Disability*	<input type="checkbox"/> List-bill <input type="checkbox"/> Self-bill	<input type="checkbox"/> Pre-tax <input type="checkbox"/> Post-tax <input type="checkbox"/> N/A	

\* STD plans: do you have employees working in NY, NJ, RI, CA, HI or Puerto Rico with non-Anthem administered state short-term disability plan?  
 Yes  No If yes, please list states: \_\_\_\_\_

\* Statutory STD plan: Complete if Anthem will administer a Statutory Disability Plan (quote required):  
 Is Anthem replacing a state mandated STD plan?  Yes  No If no, please disregard the rest of this section.  
 Federal employers ID no.: \_\_\_\_\_ Workers' compensation bureau no.: \_\_\_\_\_  
 Unemployment insurance Employer no.: \_\_\_\_\_ Employee contribution  Weekly  Monthly  
 Number of eligible employees working in: NY: \_\_\_\_\_ NJ: \_\_\_\_\_ RI: \_\_\_\_\_ CA: \_\_\_\_\_ HI: \_\_\_\_\_ Puerto Rico: \_\_\_\_\_

Underwriting consideration for approval required for employees not actively-at-work on the coverage effective date? If yes, complete and return the *Actively-at-Work Statement*.  
 Yes  No

Mandatory documents required for life and disability implementation, required for life and disability implementation	
<input checked="" type="checkbox"/> Included	Enrollment/Eligibility.
Replacing coverage?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, complete next two questions.
<input checked="" type="checkbox"/> Included	Prior Carrier Certificates/EOC – For all LTD products.
<input checked="" type="checkbox"/> Included	Last Prior Carrier bill with benefit amounts or grandfathered listing if Self-Billed – For all L&D products.

**Section 17: Comments or special instructions**

Please indicate all requested nonstandard benefits, provisions, class arrangements and any other special instructions.

**Section 18: Certification and indemnification**

The Employer certifies and acknowledges that no attempt will be made to re-identify the individuals that are the subjects of the data provided as a result of a request for De-identified<sup>1</sup> or Summary Health Information.<sup>2</sup> In addition, the Employer further certifies that it will require any downstream vendors or other parties that may receive De-identified and/or Summary Health Information at the request of the Employer to certify that they will also make no attempt to re-identify the individuals that are subject to the data provided. Any attempt by a Recipient to re-identify the data could constitute the use, disclosure, or maintenance of protected health information under HIPAA which would require Recipient to meet all requirements for safeguarding protected health information and/or personal information set out in federal and/or state law. Recipient will indemnify and hold harmless Anthem Blue Cross and Blue Shield (Anthem) and any Anthem affiliate, officer, director, employee or agent from and against any claim, cause of action, liability, damage, cost or expense, including attorneys' fees and court or proceeding costs, arising out of or in connection with any nonpermitted or prohibited use or disclosure of re-identified protected health information by Recipient or any subcontractor, agent, person or entity under Recipient's control.

**Section 19: Client authorization**

Date form submitted to Anthem (MM/DD/YYYY): 04/20/2018		First proposed enrollment meeting date (MM/DD/YYYY): 04/30/2018	
<input checked="" type="checkbox"/> I agree	Authorized signature. Please type name: X <i>M. Daniel Bunketta</i>	Title: HR Director	Date (MM/DD/YYYY): 04/20/2018

<sup>1</sup> De-identified Data has all 18 identifiers removed as required by HIPAA (§164.514) and that cannot be used alone or in combination with other information to re-identify individual(s) who are subjects of that data.  
<sup>2</sup> Summary Health Information summarizes claim data for an employer group to meet the requirements of De-identified Data that is aggregated to a five-digit ZIP code.



**Waiting Periods:**

- Dental
  - Waiting period – first of the month following 60 days
- Life
  - EMPLOYEE waiting period – eligible on date of hire
  - DEPENDENTS waiting period – first of the month following 60 days

**Open Enrollment:**

- Dental and Life: Open enrollment to include employees and dependents

**Dental Billing:**

- Active in alpha order
- Retiree in alpha order
- COBRA in alpha order

**Life Billing in Categories:**

- Retiree 70 + in alpha order
- Retiree in alpha order
- 20,000 in alpha order
- 35,000 in alpha order
- 50,000 in alpha order

**Ongoing Premium Payments:**

- Paper check



**PROMINENCE HEALTH PLAN**  
**(Prominence HealthFirst and Affiliated Company Prominence Preferred Health Insurance Company, Inc.)**  
**GROUP CONTRACT**

This Group Contract is executed by and between Prominence Health Plan, representing Prominence HealthFirst and its affiliated company Prominence Preferred Health Insurance Company, (hereinafter referred to as "Health Plans" or "Prominence Health Plan"), and Company (hereinafter referred to as "Group").

**WHEREAS**, Health Plans is organized and operating pursuant to the Nevada Revised Statutes, and;

**WHEREAS**, Group wishes to provide eligible employees with the opportunity to enroll in and receive health care services;

**NOW THEREFORE**, the parties hereto have set their hand and mutually agree as follows:

**I. Definitions**

- A. **Anniversary Date** means the date, every twelve (12) months upon which the coverage under Evidence of Coverage or Certificate of Coverage (hereinafter referred to as "Plan Document") renews for another twelve (12) month period.
- B. **Health Benefit Plan** means the Health Plan's Plan Document and any and all Attachments and Riders selected by the Group, which is offered to eligible employees.
- C. **Grace Period** means the time after the date that the premium is due during which the premium can be paid without penalty to keep the policy in force.
- D. **Group** means an employer or other party who has executed a Group Contract with Health Plans, through which health benefits are made available to eligible employees and the employer has agreed to collect and pay premiums.
- E. **Group Contract** (hereinafter also referred to as "Contract") means this document between the Group and Health Plans and any attachments hereto, through which the health benefit plan for eligible employees and dependents is elected.
- F. **Initial Group Open Enrollment Period** means the enrollment period established by the Group and Health Plans prior to the effective date during which eligible persons may enroll in the health plan. The initial enrollment period will be a period of no less than thirty (30) days in which all eligible persons must enroll or waive their right to coverage. Subsequent Open Enrollment Periods will be held every twelve (12) months from the initial effective date of the Group's coverage.

- G. **Premium** means the periodic payment, usually monthly, made to Health Plans by the Group on behalf of eligible enrolled employees, which entitles those employees and dependents to the health benefit plan products detailed in Section III of this contract.
- H. **Renewal Date: 12:01 AM on the first day of a renewed group contract.**

## II. Introduction

This Group Contract, any amendments, attachments, including the Plan Document any applicable Riders, the application of the employer, the enrollment forms of individual employees and amendments to any of them incorporated by reference herein, shall constitute the entire agreement between Prominence Health Plan and the Group.

The Employer or any individual Member is not authorized to make any promises or representations or warranties concerning Health Plan's services, facilities or supplies provided under the Contract. Any statements by an Employer or the Employer's representative concerning the services provided by Health Plans or under the Plan Document shall not be binding on Health Plans. As such, no such statement shall be used in support of a benefit claim under this Contract unless it is approved in writing by Health Plans. Pursuant to this Contract, Health Plans shall provide covered services and supplies to Members in accord with the Plan Documents.

No agent or employee of Health Plans is authorized to change the form or content of this Contract. Any changes to this Contract can be made only through an endorsement authorized and signed by an officer of Health Plans.

## III. Products

Please see the Schedule of Insurance Rates (Medical and/or Dental Addendum) for a list of Products from the Plan and the appropriate Plan Document.

## IV. Term of Contract

This Contract becomes effective on the Effective Date, found in the Schedule of Insurance Addendum, at 12:00 a.m. Pacific Time and will remain in effect until the Termination Date unless terminated sooner in accordance with the Termination of Contract set forth in Section V below. Except as expressly provided in the Plan Document incorporated in this Contract, all rights to benefits under this Contract end at 11:59 p.m. on the Termination Date.

## V. Termination of Contract

The employer may terminate this Contract by providing Health Plans with a written notice of its intent to terminate this contract at least thirty (30) in advance of the agreed upon termination date. Health Plans may terminate or not renew this Contract for good cause as set forth below.

Health Plans will provide the Group with an acknowledgment in the Form of a Written Notice of Contract Termination ("Notice"). Promptly upon receipt of the Notice, Group will mail via First Class U.S. Mail to each Member a legible copy of the notice. Group agrees to provide Health Plans with written



proof of that mailing and of the date thereof. If the terms of this Contract are altered by consent of both parties, no resulting reduction in coverage will adversely affect a member who is confined to a hospital at the time of such change.

**Termination on Written Advance Notice**

Group may terminate this Contract:

1. for any reason, effective on the Termination Date by giving at least thirty (30) days prior written notice to Health Plans;
2. upon written notice within thirty (30) days of notice of an increase in the Total Monthly Premium; and

remitting all amounts payable relating to this Contract, including Premiums, for the period prior to the termination effective date.

**Good Cause** for termination or not renewing the Group Contract by Health Plans shall include:

1. **Non Payment of Premiums**

Failure of Group to pay the premium for this Contract when due or within the thirty (30) day grace period. If a Premium is not paid by the end of the grace period, Health Plans may terminate the Group Contract retroactively to the end of the day preceding the grace period. Cancellation will not be effective until at least ten (10) days after Health Plans has delivered or mailed written notice of Group Contract Termination to the group.

2. **Material Breach of the Terms of the Health Benefit Plan Document or the Group Contract**

For any material breach of the terms detailed in the **Health Benefit Plan Document or the Group Contract**, upon thirty (30) days prior written notice to Group.

3. **Fraud, Noncompliance or intentionally furnishing incorrect or incomplete information**

Health Plans may terminate this Contract retroactively to the date coverage began if:

- A. Group commits fraud or an intentional misrepresentation of material fact in obtaining or maintaining Health Benefit Plan coverage; and
- B. Health Plan provides Group with thirty (30) days prior notice that coverage is being rescinded.



**4. Knowing Failure to Enforce Health Benefit Plan Rules**

Health Plans may terminate this Contract upon thirty (30) days prior written notice to Group if there is:

- A. Knowing failure by the Group to abide by the terms of the Group Health Contract, Health Benefit Plan or to properly enforce the conditions of enrollment of Members as set forth in the "Eligibility and Enrollment" provisions of the Health Benefit Plan Document and the Employer Application.

**5. Failure to meet Participation and Contribution requirements**

Failure of the employer to maintain minimum subscription charge contribution requirements or minimum participatory requirements or as stated in the group requirements set forth in the Master Application (see Section VII, item L of this contract).

Group will allow Health Plans to review and audit payroll and other pertinent records for the verification of eligibility of employees as stated in contributions or group requirements. Health Plans will make written and verbal request to Group and conduct all such reviews during regular business hours.

Group agrees to contribute the same amount toward each class of Eligible Employees under the Group Contract. In no event will the Group make a contribution for any class of Eligible Employee less than fifty percent of the Single (employee only) premiums under the Health Benefit Plan.

**6. Discontinuance of a product or all products within a market**

Health Plans reserves the right to terminate a particular product or all products offered in a small or large group market, if it discontinues offering insurance in the geographic area of the state where the employer is located. Health Plans also reserves the right to discontinue the issuance and renewal of coverage to a small employer if the Nevada Insurance Commissioner ("Commissioner") finds that the continuation of coverage would not be in the best interest of the policyholders or certificate holders or would impair the ability of the carrier to meet its contractual obligations. If the Commissioner makes such a finding, the Commissioner shall assist the affected small employers in finding replacement coverage. Health Plans may also discontinue products offered to small employers if the Nevada Insurance Commissioner finds that the form of the product offered by Health Plans is obsolete and is being replaced with comparable coverage. Health Plans will notify the Commissioner and the Chief Regulatory Officer for insurance in each state in which it is licensed of its decision to discontinue the issuance or renewal of a product at least sixty (60) days before Health Plans notifies the affected small employers. Health Plans will notify affected employers at least one hundred eighty (180) days before the date on which it will discontinue offering the product and it will offer each affected small employer the option to purchase any other health benefit plan currently offered by it to small employers in Nevada. In exercising its option to discontinue the product and in offering the option to purchase other coverage, Health Plans will act uniformly without regard

to the claims experience of the affected small employers or any health status-related factor relating to any participant or beneficiary covered by the discontinued product or any new beneficiary who may become eligible for such coverage. Health Plans will comply with the requirements of NRS 689C.310-.320 and NRS 689B.560 if it decides to discontinue providing insurance in a geographic area or discontinue products to the small or large employer market.

**7. A Material change in the nature of the Employer's Business, i.e.,**

- Dropping under 2 employees
- Sale of business
- Change in contribution level
- Other significant changes in the composition or status of the employer's business.

**VI. Amendment of Contract**

This Contract may be amended by mutual agreement of the Group and Health Plans. All amendments shall be in writing and shall be attached to and become a part of the entire Contract.

Upon sixty (60) days prior written notice to Group, Health Plans may amend this Contract effective as of the next Anniversary Date. If Health Plans has not received all necessary government approval of its Premium rates by the date it gives notice under this section, Health Plans will notify Group of the Premium rates for which it has sought government approval. Health Plans may then amend this Contract with respect to Premium rates by giving notice to the Group after receiving all necessary government approval, in which case the Premium rates go into effect as of the next Anniversary Date.

In addition to amendments effective as of the Anniversary Date, Health Plans may, subject to government approval, amend this Contract at any time by giving notice to Group, in order to (a) comply with applicable law, or (b) expand Health Plan's service area.

All amendments are deemed accepted by the Group unless the Group gives Health Plans written notice of non-acceptance at least fifteen (15) days before the effective date of the amendment and remits all amounts payable related to this Contract, including Premiums, for the period prior to the amendment effective date. If the Group rejects the amendment, this Contract will automatically terminate as of the day before the effective date of the amendment.

**VII. Eligibility and Enrollment of Members**

**A. Eligible Employees include:**

1. a bona fide employee of the Group eligible to participate under the terms of the Health Benefit Plan arranged by the Group;
2. those who satisfy any probationary or Waiting Period requirements established by the Group or the Health Benefit Plan and who enroll within 31 days of their eligibility date.



B. Special Enrollments

Employees who decline coverage for themselves, or if eligible, their Spouse or their dependents, for any reason, and later decide that they want coverage will not be eligible until the next open enrollment period unless, the employee has (1) creditable health coverage within the meaning of 26 USC § 9801 and (2) has experienced a qualified life event allowing an election change.

Employees who request special enrollment must do so no later than thirty (30) days after the loss of the other creditable coverage. Special enrollment is effective on the first day of the calendar month beginning after the date the completed enrollment request is received by Health Plans.

C. Dependents include:

1. employee's lawful spouse or domestic partner (if elected by group and this contract is amended);
2. For Qualified Plans, be a Member's child who is not yet 26; or  
  
For Grandfathered Plans, be a Member's child who is not yet 26 and who is not otherwise covered by other employer provided health plan coverage;
3. Unmarried children over the age of 25, who are chiefly dependent upon the employee for support due to mental illness, developmental disability, mental retardation or physical handicap; with supporting documentation either from the Judicial system or medical professional.
4. The term child includes natural children, step-children, and children for whom You have been appointed by the court as permanent legal guardian, or children who have been legally adopted or are awaiting finalization of adoption by You.

D. For all HMO and POS products sold to the Group, all eligible employees must permanently reside or perform more than 50% of their employment duties within the State of Nevada.

E. All eligible employees must satisfy any probationary or Waiting Period requirements established by the Group. Once the eligible employee has satisfied the probationary or Waiting Period requirements, then that employee will be eligible to enroll for Health Benefit Plan coverage.

F. Group agrees to contribute the same dollar amount toward each class of Eligible Employees as that under the Group Contract. In no event will the Group make a premium contribution for any class of Eligible Employees that is less than 50% of the Single (employee only) premium under the Health Benefit Plan.

If Group elects on the master application to make a premium contribution of 100% of Single (employee only) premium under the Health Benefit Plan, then all employees must be enrolled OR present a valid waiver showing coverage through another Health Benefit Plan.

- G. Any employee or dependent, if eligible, who becomes eligible after the Initial Enrollment Period, or between Group Enrollment Periods, must enroll within thirty-one (31) days of a qualifying event, or may not enroll until the next Group Enrollment Period is held.
- H. Group will be credited with Premium payments, made for a non-eligible enrollee, only after Health Plans is notified in writing and only if the enrollee has not received covered services during the period in question. In no event will Health Plans credit premium overpayment for a non-eligible enrollee for a period of more than sixty (60) days. In the event that Group overpays Premiums on behalf of a non-eligible enrollee for a period of more than sixty (60) days, overpayments beyond the first sixty (60) days will be forfeited to Health Plans and will not be otherwise reimbursed or credited to the Group.
- I. Group agrees to promptly distribute Health Plan's Health Benefit Plan documents, such as the Summary of Benefits of Coverage, as well as other pertinent information to Eligible Employees. Group agrees to notify each Eligible Employee that Health Plans' staff is available to answer any questions about the Health Benefit Plan and will promptly provide additional information about the Health Benefit Plan during the Initial Enrollment as well as all subsequent Group Enrollment Periods.
- J. Group will allow Health Plans to review and audit payroll and other pertinent records for the verification of employees' eligibility. Health Plans agrees to notify Group in writing at least seven (7) calendar days before conducting an audit.
- K. Age Banded Premium Rates are rates Health Plans has determined by the age of the Eligible Employee or eligible dependents, if eligible. Members move to the rate corresponding to the appropriate age rate upon renewal.
- L. **For a group with 4 or more** eligible employees, seventy-five percent (75%) of all eligible employees must enroll in the group health plan or demonstrate other creditable coverage. Those eligible employees waiving with creditable coverage will not be a factor in determining the group participation. **For groups with 3 or fewer** eligible employees, one hundred percent (100%) of eligible employees must enroll or show creditable coverage.

#### VIII. Termination of Group Health Benefit Plan Coverage

##### Termination due to Nonpayment

Only a Member, and his or her enrolled dependents, if eligible, for which Health Plans has received timely payment of the Group's agreed upon Premiums are entitled to Health Benefit Plan coverage under this Contract. If Group fails to promptly remit any past-due payment for a Member within the thirty (30) day grace period, then Health Plans may terminate the Member in accord with the "Termination of Coverage" section of the Health Benefit Plan Document. In addition, the Group remains liable for all unpaid Premiums for the Member through the termination date.



The Group may be required to continue coverage for an employee or dependent, if eligible, who has lost eligibility within the Group. The specific option for continuation will be determined based on the individual employee or dependent, if eligible, at the time of the qualifying event as detailed in the Health Benefit Plan Document. The Eligible Employee and his or her dependents, if eligible, will be terminated from coverage under the Group Contract according to the Employee Termination Date Rule (as set forth in Addendum I).

#### **Consolidated Omnibus Budget Reconciliation Act (COBRA) Continuation Coverage**

Health Plans recognizes that most employers must comply with the continuation of group coverage requirements of federal laws and regulations, which collectively are commonly referred to as Consolidated Omnibus Budget Reconciliation Act (COBRA) (hereinafter referred to as "COBRA"). Health Plans acknowledges that employers who are so affected cannot discharge their legal obligations without Health Plan's informed and willing participation in providing the continuation coverage.

Health Plans is therefore committed to the following:

- A. Maintaining awareness of continuation coverage requirements of the Internal Revenue Code, the Employee Retirement Income Security Act of 1974 (ERISA), the Public Health Service Act, and regulations, which are issued by the Secretaries of those agencies.
- B. Providing continuation coverage to Members upon the request of an employer when such requests are consistent with the employer's obligations under the law.
- C. Sharing knowledge regarding COBRA with employers as they experience problems but Health Plans will not give legal advice on these matters.

Members who are hospitalized on the date coverage under this Contract ends, may be eligible for continuation of coverage. See "Continuation of Coverage" in the Plan Document.

Termination of this Contract, other than for Nonpayment of Premiums (see "Termination due to Nonpayment") or Fraud, shall become effective upon sixty (60) days written notice to the employer.

If this Contract terminates under its own terms, or is otherwise terminated by either Health Plans or Group, then the Group shall promptly mail or hand deliver to each Member covered hereunder, a notice of cancellation of this Contract. The employer shall, upon request by Health Plans, provide Health Plans a copy of notification sent to each Eligible Employee, a written statement that the notice of cancellation was sent by certified mail or hand delivered to each Member, and the date of said mailing or hand delivery.

#### **IX. Premium Payment**

- A. Group agrees to remit to Health Plans the Total Monthly Premium on behalf of each Eligible Employee who has enrolled in the Health Benefit Plan, in accordance with the Class of Contract and Total Monthly Premium which is attached hereto as Schedule of Insurance Rates

# Prominence<sup>®</sup>

Health Plan

(Addendum 1). Where applicable, any contribution required by an Eligible Employee will be collected by the Group. Only Members for which the Health Plans has received timely premium payments are entitled to services and supplies.

Total Monthly Premium rates are effective from the Effective Date to Termination Date.

- B. The Total Monthly Premium is billed to Group prior to the first day of the month for which coverage is provided. Premium payments are due on the first day of the month for the month in which coverage is provided. Health Plans shall calculate the charges from current records as to the number of Members enrolled. Premiums are payable for new Members for the entire month regardless of the effective date of enrollment or termination.
- C. Premium adjustments required as a result of terminations or new hires will be applied by Health Plans to the Premium Billing subsequent to its receipt of the necessary forms. Retroactive payment adjustments will be made in subsequent billing statements for any additions or terminations of Members not reflected in Health Plan's records at the time of calculation of Premium charges.

In order for a credit of Premium charges to be applied for terminated members, Health Plans must receive notification as soon as possible following the date of the Member's ineligibility, but in no event later than sixty (60) days following such date. Health Plans will credit a maximum of sixty (60) days of Premium charges to the employer for ineligible Members.

It is the sole responsibility of the Group to review the Total Monthly Premium each month, ensure it accurately reflects any and all Member terminations, and bring any discrepancies to the attention of Health Plans within sixty (60) days of the Member's ineligibility.

Only Members for whom payment is received by Health Plans shall be eligible for services and benefits hereunder and only for the period covered by such payment. If any Member covered hereunder is terminated by Health Plans, prepaid Premiums received on account of the terminated Member or Members applicable to periods after the effective date of the termination will be credited back to the employer on the next following billing statement. The Group agrees that neither Health Plans nor any physician group has any liability or responsibility under this Contract to any such terminated Member.

In the foregoing instances where a Member is being retroactively terminated by the group, the effective date of retroactive termination cannot be prior to any date on which services or supplies were provided to the Member under this Contract. In such instances the date of termination will be the first day of the calendar month following the month in which services or supplies were provided, and any applicable credit of premium charges will be calculated from that date.

If the employer seeks to retroactively add Members, enrollment forms must be received by Health Plans as soon as possible following the Member's eligibility date, but in no event later than thirty one (31) days following such date. Health Plans will charge the employer retroactive premiums according to the Member's effective date, which will be calculated using rules



established by Health Plans for determining effective dates of retroactive adjustments, but in no event will the effective date be more than thirty one (31) days prior to when Health Plans receives the enrollment forms.

- D. Group shall submit to Health Plans all enrollment, termination and/or change of status forms within thirty one (31) days of each event, but in no case shall credits to remittances be for a premium period (month) of more than sixty (60) days from the date of the event.
- E. In situations that include, but are not limited to those found in Section V, item 6, Health Plans reserves the right to change the Total Monthly Premium for the health benefits plan and/or Riders upon sixty (60) days written notice, provided such changes are in accordance with the provisions set forth in the Evidence of Coverage.

#### **X. General Provisions**

##### **A. Acceptance of Contract**

Group acknowledges acceptance of this Contract by signing the signature page and Addendum 1 of this Contract and returning it to Health Plans. If Group does not return the signature page to Health Plans, Group will be deemed as having accepted this Contract if Group pays any amount pursuant to the "Premiums" section.

##### **B. Charter not part of Contract**

None of the terms or provisions of Health Plan's charter, constitution or bylaws shall form a part of this Contract or be used in the defense of any suit hereunder, unless the same is set forth in full in this Contract.

##### **C. Interpretation of Contract**

The laws of the State of Nevada shall be applied to interpretation of this Contract. Where applicable, the interpretation of this Contract shall be guided by the direct-service, group practice nature of Health Plan's operations as opposed to a fee-for-service indemnity basis.

##### **D. Renewals of this Contract**

Group acknowledges this Contract can be renewed for additional one year terms after the expiration of the Initial Term, by the execution of a revised Schedule of Insurance Rates. All of the terms and conditions of this Group Contract, not otherwise changed in the revised Schedule of Insurance Rates, shall remain in full force and effect for one calendar year after the date the revised Schedule of Insurance Rates is executed.

##### **E. Adoption of Policies**

Health Plans may adopt reasonable policies, procedures, rules and interpretations to promote the orderly and efficient administration of this Group Contract and the Health Benefit Plan.



**F. Group Agent or Broker**

Health Plans recognizes that Group may work with an Agent/Broker of Record who arranges a variety of insurance programs for the Group. Health Plans will work cooperatively with the Group's Agent/Broker of Record. The Agent/Broker of Record must hold the appropriate State of Nevada health insurance license, and cooperate with Health Plans. The Group agrees to notify Health Plans in writing of any changes in its Broker of Record.

**G. Contract Providers**

Health Plans will give Group written notice within a reasonable time of any termination or breach of contract by, or inability to perform, of any health care provider that contracts with Health Plans if Group may be materially and adversely affected thereby.

**H. Delegation of Claims review authority**

Health Plans is a named fiduciary to review claims under this Contract. Group delegates to Health Plans the discretion to construe and interpret the terms of the Plan Document and other disclosure statements as well to determine whether a Member is eligible for benefits. In making these determinations, Health Plans has authority to review claims in accordance with the procedures contained in the Plan Document and herein, and to construe this Contract to determine whether the Member is entitled to benefits.

**I. Member Information**

Group will inform enrollees of eligibility requirements for Members and when coverage becomes effective and terminates.

If Health Plans gives Group any information that is material to Members, Group will disseminate that information to Members by the next regular communication to them, but in no event later than thirty (30) days after Group receives the information. For purposes of this paragraph, "material" means information that a reasonable person would consider important in determining action to be taken.

**J. No Waiver**

Health Plan's failure to enforce any provision of this Contract will not constitute a waiver of that or any other provision, or impair Health Plan's right thereafter to require Group's strict performance of any provision.

**K. Notices**

Notices from Health Plans to Group or from Group to Health Plans must be mailed to the address indicated on the signature page of this Contract except that Health Plans and Group may change its notice address by giving written notice to the other. Notices are deemed given when deposited in a U.S. Postal Service receptacle for the collection of U.S. mail.

**L. Right to Examine Records**

Upon reasonable notice, Health Plans may examine Group's records with respect to eligibility and payments under this Contract.

**M. Successors and Assignees**

Benefits and obligations of this Contract are binding on the successors and permitted assignees of Health Plans and Group.

**N. Non-discrimination**

Health Plans and the employer hereby agree that no person who is otherwise eligible for coverage under this Contract shall be refused enrollment nor shall their coverage be cancelled solely because of race, color, national origin, ancestry, religion, sex, marital status, age, health status, or physical or mental handicap.

**O. Notice of Certain Events**

Health Plans will give the employer written notice, within a reasonable time, of any termination or breach of Contract, or inability to perform services, by a Physician Group or contracting provider, if the employer may be materially and adversely affected thereby.

**P. Record Keeping**

The employer is responsible for keeping records relating to this Contract. Health Plans has the right to inspect and audit these records.

**Q. Relationship of Parties**

Neither Health Plans nor any of its employees are employees or agents of Hospitals or the Physician Groups.

**XI. Mediation/Arbitration Agreement**

**A. Dispute Resolution**

- 1. Mediation.** The parties shall submit any and all disputes relating to this Agreement to mediation prior to the appointment of any arbitrator. The mediation will be administered by the American Arbitration Association ("AAA") under its Commercial Mediation Procedures. The parties further agree to cooperate with one another in selecting a mediator and in promptly scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other



proceeding involving the parties. This rule of confidentiality and inadmissibility does not apply to evidence that is otherwise admissible or discoverable. Such evidence shall not be rendered inadmissible or non-discoverable because it was used in the mediation. If the dispute is not resolved within 45 days from the date of the initial submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), the dispute shall be submitted to arbitration. The mediation may continue, if the parties so agree, after the appointment of the arbitrators. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. The pendency of mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that mediation is pending.

2. **Arbitration.** The parties agree that any and all disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to mediation, and if the matter is not resolved through mediation, then it shall be submitted to final and binding arbitration. The arbitration will be administered by the AAA under its Commercial Arbitration Rules (the "AAA Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Either party may initiate arbitration with respect to the matters submitted to mediation by filing a written demand for arbitration at any time following the initial mediation session or 45 days after the date of filing of the initial written request for mediation, whichever occurs first. The provisions of this Clause may be enforced by any court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorney's fees, to be paid by the party against whom enforcement is ordered.



**Signature Page**

When notice is required under this Contract, it shall be sent prepaid, first class US mail to:

Health Plans:

Sales and Marketing Department  
Prominence Health Plan  
1510 Meadow Wood Lane  
Reno, Nevada 89502

Group:

Robert L. Crowell  
City of Carson City  
201 North Carson Street, No. 4  
Carson City, Nevada 89701

**Specific Authorization Agreeing to Mandatory Mediation and Arbitration Provision**

Most customer concerns can be resolved quickly and to the customer's satisfaction by calling our Customer Service Department at 1-800-863-7515. In the unlikely event that Health Plan's Customer Service Department is unable to resolve a complaint you may have to your satisfaction (or if Health Plans has not been able to resolve a dispute it has with you after attempting to do so informally), both you and Health Plans agree to resolve those disputes through mediation, and if the mediation is not successful, through binding arbitration or Small Claims Court instead of in courts of general jurisdiction.

Arbitration is more informal than a lawsuit in Court. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than in court, and is subject to very limited review by courts. Arbitrators can award the same damages and relief that a court can award. **Any arbitration under this Agreement will take place on an individual basis; Class Arbitrations and Class Actions are not permitted.**

Health Plans and you agree to arbitrate **all disputes and claims** between us. This Agreement to Arbitrate is intended to be broadly interpreted. It includes, but is not limited to:

- Claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort, statute, fraud, misrepresentation, or any other legal theory;
- Claims that arose before this or any prior Agreement;
- Claims that are currently the subject of purported class action litigation in which you are not a member of a certified class; and
- Claims that may arise after the termination of this Agreement.

References to Health Plans includes our respective affiliates, agents, parents, subsidiaries, employees, predecessors-in-interest, successors and assigns under this Agreement or prior Agreements between us. Notwithstanding the foregoing, either party may bring an individual action in small claims court. This Arbitration Agreement does not preclude you from bringing issues to the attention of federal, state, or local agencies, including, for example, the Nevada Division of Insurance. Such agencies, if the law allows, may seek relief against us on your behalf. **You agree that, by entering into this Agreement, you and Health Plans are each waiving the right to a trial by jury or to participate in a class action.**

This Agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this arbitration provision. This arbitration agreement shall survive termination of this Agreement.

#### **Notice of a Dispute**

A party who intends to seek mediation or arbitration must first send to the other, by certified mail, a written notice of dispute ("Notice"). The Notice to Health Plans should be addressed as indicated above. The Notice must (a) describe the nature and basis of the claim or dispute; and (b) set forth the specific relief sought ("Demand"). If Health Plans and you do not reach an agreement to resolve the claim within 30 days after the Notice is received, you or Health Plans may immediately commence a mediation proceeding. The mediation will be administered by the American Arbitration Association ("AAA") under its Commercial Mediation Procedures. If the mediation is not successful, either party may initiate arbitration with respect to the matter submitted to mediation by filing a written demand for arbitration at any time following the initial mediation session or 45 days after the date of filing of the initial written request for mediation, whichever occurs first. The arbitration will be administered by the AAA under its Commercial Arbitration Rules (the "AAA Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

#### **Arbitration Procedure and Rules**

The arbitrator is bound by the terms of this Agreement. All issues are for the arbitrator to decide, except that issues relating to the scope and enforceability of the arbitration provision are for a federal court to decide. Unless Health Plans and you agree otherwise, any arbitration hearings will take place in Reno, Nevada. If your claim is for \$10,000 or less, we agree that you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds \$10,000, the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. Except as otherwise provided for herein, Health Plans will pay all AAA filing, administration, and arbitrator fees for any arbitration if your claim is less than \$10,000 and initiated in accordance with the Notice requirements above. If, however, the arbitrator finds that either the substance of your claim or the relief sought in the Demand is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the payment of all such fees will be governed by the AAA Rules. In such case, you agree to reimburse Health Plans for all monies previously disbursed by it that are otherwise your obligation to pay under the AAA Rules. If you initiate an arbitration in which you seek more than \$10,000 in damages, the payment of these fees will be governed by the AAA Rules.

The right to attorneys' fees and expenses discussed above supplements any right to attorneys' fees and expenses you may have under applicable law. Thus, if you would be entitled to a larger amount under applicable law, this provision does not preclude the arbitrator from awarding you that amount. However, you may not recover duplicative awards of attorneys' fees or costs. Although under some laws, Health Plans may have a right to an award of attorneys' fees and expenses if it prevails in arbitration, Health Plans agrees that it will not seek such an award.



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The arbitrator may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim.

**YOU AND HEALTH PLANS AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. FURTHER, UNLESS BOTH YOU AND HEALTH PLANS AGREE OTHERWISE, THE ARBITRATOR MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S CLAIMS, AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A REPRESENTATIVE OR CLASS PROCEEDING. IF THIS SPECIFIC PROVISION IS FOUND TO BE UNENFORCEABLE, THEN THE ENTIRETY OF THIS ARBITRATION PROVISION SHALL BE NULL AND VOID.**

Notwithstanding any provision in this Agreement to the contrary, we agree that if Health Plans makes any future changes to this arbitration provision (other than a change to the Notice Address) during the term of this Agreement, you may reject any such change by sending us written notice within 30 days of the change to the Notice Address provided above. By rejecting any future change, you are agreeing that you will arbitrate any dispute between us in accordance with the language of this provision.

For Prominence Health Plan:

For Group: City of Carson City



\_\_\_\_\_  
Name: David K. Livingston  
Title: CEO

\_\_\_\_\_  
Name: Robert L. Crowell  
Title: Mayor

Date \_\_\_\_\_



**Medical Plan Addendum  
Schedule of Insurance Rates  
City of Carson City**

This Schedule of Insurance Rates Addendum dated July 1, 2018 to the Group Contract is hereby entered into by and between Prominence Health Plan and City of Carson City. All of the terms of the Group Contract, not otherwise changed in this Schedule of Insurance Rates, shall remain in full force and effect for the period of one calendar year upon execution of this Addendum.

- 1. Products:**
  - a. Custom Plans: 1500 HMO 1540      1500 POS 1030/2040      HMO HD \$2700 100%
  - b. Rx \$15/40/60D
  - c. Vision:      None
  - d. Domestic Partnership:      Yes
  
- 2. Term of the Contract:**
  - a. Effective Date:      July 1, 2018
  - b. Termination Date:      June 30, 2019
  
- 3. Termination of the Contract:**
  - a. Anniversary Date:      July 1, 2019
  
- 4. Waiting Period:**
  - a. The Probationary or Waiting Period Requirements:  
First of the month following sixty (60) days of employment  
Rehires: no waiting period for any employee laid off and rehired within one year.
  
- 5. Employee Termination Date Rule:**
  - a. An employee will be terminated from the Health Plans on the Eligible Employee's Termination Date, but coverage will continue for the remainder of that month provided the Eligible Employee's monthly premium was previously paid in full; according to the group's selection on their Master Application.
  
- 6. Premium Payment:**
  - a. Total Monthly Premium:

**1500 HMO 1540 / Rx \$15/40/60**

<u>Tier</u>	<u>Medical &amp; Rx</u>
Employee	\$568.60
Employee & Spouse*	\$1,165.79
Employee & Child(ren)*	\$1,090.96
Employee & Family*	\$1,781.76

<u>Tier: Retiree</u>	<u>Medical &amp; Rx</u>
Single without Medicare	\$568.60
Single with Medicare	\$417.73
Retiree & Spouse w/o Medicare*	\$1,165.79
Retiree & Spouse both w/ Medicare*	\$886.62
Retiree & Spouse one w/ Medicare*	\$1,047.80
Retiree & Child(ren) w/o Medicare*	\$1,090.96
Retiree & Child(ren) w/ Medicare*	\$1,081.50
Retiree & Family w/o Medicare*	\$1,781.76
Retiree & Family two with Medicare*	\$1,080.57
Retiree & Family one with Medicare*	\$1,256.15

**1500 POS 1030/2040 / Rx \$15/40/60**

<u>Tier</u>	<u>Medical &amp; Rx</u>
Employee	\$636.69
Employee & Spouse*	\$1,305.39
Employee & Child(ren)*	\$1,221.63
Employee & Family*	\$1,995.13

<u>Tier: Retiree</u>	<u>Medical &amp; Rx</u>
Single without Medicare	\$636.69
Single with Medicare	\$463.24
Retiree & Spouse w/o Medicare*	\$1,305.39
Retiree & Spouse both w/ Medicare*	\$984.44
Retiree & Spouse one w/ Medicare*	\$1,169.74
Retiree & Child(ren) w/o Medicare*	\$1,221.63
Retiree & Child(ren) w/ Medicare*	\$1,210.75
Retiree & Family w/o Medicare*	\$1,995.13
Retiree & Family two with Medicare*	\$1,188.99
Retiree & Family one with Medicare*	\$1,390.86

**HMO HD \$2700 100% / Rx \$15/40/60D**

<u>Tier</u>	<u>Medical &amp; Rx</u>
Employee	\$389.95
Employee & Spouse*	\$799.52
Employee & Child(ren)*	\$748.21
Employee & Family*	\$1,221.97

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Health Plan

\* Employee and Spouse, Employee and Children and Employee and Family rates are only applicable when dependents are made eligible by the group.

- b. Effective Month: July
- c. Effective Day: 1
- d. Effective Year: 2018
- e. Termination Date: June 30, 2019

**7. General Provisions:**

- a. Broker of Record: LP Insurance Services

For Prominence Health Plan:

For Group: City of Carson City



\_\_\_\_\_  
Name: David K. Livingston  
Title: CEO

\_\_\_\_\_  
Name: Robert L. Crowell  
Title: Mayor

Date \_\_\_\_\_





# Carson City

July 1, 2018  
thru  
June 30, 2019

Renewal Election Form

# Prominence Health Plan

## Large Group Renewal Election Form

Group Name: Carson City  
Renewal Effective Date: July 1, 2018  
Group Number(s): GRP0004227  
Broker Name: Kevin Monaghan/LP Insurance  
Account Manager: Joyce Toste

Please return the signed Renewal Election Form no later than the 5th of the month **prior** to the renewal. Changes may not be reflected on the renewal billing statement if received after the requested date. All renewals are contingent upon meeting the underwriting guidelines of Prominence Health Plan.

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***Please write the selected plan names below***

Medical plan design: 1500 HMO 1540 (Custom) 1500 POS (Custom) HD 2700 (Custom)  
Pharmacy design \$15/40/60D \$15/40/60D CYD/Coinsurance

After reviewing the renewal rates and selecting the plans shown above, we confirm that we intend to renew our health insurance benefit plan(s) through Prominence Health Plan effective on our renewal date.

We also acknowledge that we understand the signed Renewal Election Form must be received prior to the renewal effective date to avoid a disruption in coverage.

\_\_\_\_\_  
Company Authorized Officer (please print)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Please provide email address

\_\_\_\_\_  
Signature

Please e-mail the signed completed form to [joyce.toste@uhsinc.com](mailto:joyce.toste@uhsinc.com)



# Carson City

July 1, 2018  
thru  
June 30, 2019

Service Level Agreement



# Prominence<sup>®</sup>

## Health Plan

January 24, 2018

Ms. Melanie Bruketta, JD, SHRM-SCP, IPMA-SCP  
Carson City Human Resources Director  
201. N. Carson Street, #3  
Carson City, NV 89701

RE: July 1, 2018 Renewal & Service Level Agreement

Dear Ms. Bruketta:

Prominence Health Plan appreciates the opportunity to provide Carson City members with their health care needs in the coming plan year effective July 1, 2018. We are committed to providing high quality health care at an affordable price while being dedicated to improving quality and the customer service experience. Our Renewal, Wellness and Service Level Agreement offer is outlined below.

### **July 1, 2018 thru June 30, 2019 Contract Renewal Period**

1. Renewal rates representing a 5% increase across current plans effective July 1, 2018, subject to any Federal and/or State mandated changes. This is a confirmed renewal. Should Carson City choose to submit a formal Request for Proposal to the market for their July 2018 renewal, the Prominence Health Plan offer of 5% is subject to change.

### **Wellness Services**

1. Prominence Health Plan will provide a biometric wellness screening at the 2018 Carson City health fair event at no cost to Carson City members.
2. Prominence Health Plan will provide a 2018 flu shot clinic for Carson City members at no cost to Carson City.
3. Prominence Health Plan will provide a \$20,000 wellness allowance to Carson City to be used for Wellness services other than those listed in items #1 & #2 above. The wellness vendor, any services or supplies must be approved prior to purchase. Prominence will remit payment to the approved vendor within 30 days of receipt of the invoice. Funds must be spent within the July 1, 2018 thru June 30, 2019 contract period.

**Rate Cap/Reporting**

Effective July 1, 2019, a renewal rate cap will be provided as follows subject to any Federal and/or State mandated changes:

Rate Cap	15%
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A monthly incurred reporting package will be provided to LP Insurance.

**Service Guarantee**

Prominence Health Plan will provide the following Service Guarantee to Carson City members when the member is encountering a service issue that requires escalation.

The Prominence Health Plan Concierge Service Representative will be responsible for identifying, assigning the priority level and assisting with resolution of the issue.

1. An Authorization for Disclosure of Protected Health Information must be executed which clearly authorizes the caller to act on the member’s behalf, when applicable. This is required for each member. Dependents age 18 are required to complete a form even if covered under the parent’s policy.
2. Information required with initial notification by email should include the Member Name, Date of Service, Provider Name and Issue.
3. Priority and Turn-Around-Time: Prominence Health Plan’s goal is to meet or exceed a Turn-Around-Time less than the maximum shown below depending on the complexity of the issue.

Priority Level	Maximum Turnaround Time	Examples
Level 1	2 Business Days	Case Management Request Authorization Delay & Status STAT Med/Rx Claim Issues STAT Appeal Inquiries
Level 2	4 Business Days	Employer Portal Issues Non-STAT Claim Inquiries
Level 3	30 Days	Formal Member Appeals (not subject to penalties)

*Note that official claim appeals are subject to the 30 day timeline and subject to the guidelines outlined in the EOC/COC document for the plan year of 2018/2019.*

January 24, 2018

Ms. Melanie Bruketta, JD, SHRM-SCP, IPMA-SCP

Carson City Human Resource Director

Page 3

The failure of Prominence Health Plan to perform the services outlined in the Service Guarantee section above within the designated time frame, where applicable, shall result in a monetary penalty as follows:

**Level 1& 2:** After two incidents per quarter, the penalty shall be \$500.00 per incident with a maximum quarterly penalty of \$5,000.00 to be payable within 90 days following the end of the incident quarter.

Penalties do not apply to provider performance, appeals or events that are out of the control of Prominence Health Plan. Examples of these types of events are:

- Federal or Nevada state holidays
- Power outages & system failures
- Natural disasters
- Issues submitted with incomplete information or lack of cooperation from any party linked to the complaint.

Prominence Health Plan values our relationship with Carson City. We remain committed to being the partner of choice by delivering high quality cost-effective health care services and customer service excellence.

Regards,



David K. Livingston  
Chief Executive Officer  
Prominence Health Plan

cc: LP Insurance-Kevin Monaghan





# Carson City

July 1, 2018  
thru  
June 30, 2019

Air Ambulance/Free Standing Facility Memo

# Prominence<sup>®</sup>

## Health Plan

To: Kevin Monaghan  
From: Sebestyen, Dana  
CC: Kamal Jemmoua, Maureen Henkes, Joyce Toste  
Date: March 9, 2018  
Re: City of Carson

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Thank you for sharing the concern our mutual client has regarding challenges some employees have experienced with their health plan. We are pleased to offer the following solutions with the hope that this will alleviate their concerns and resolve their immediate needs.

### Emergency Air Ambulance Transportation

While emergency medical transportation organizations historically do not contract with health plan payers, Prominence Health Plan continues to work to come to an agreement with REMSA for both ground and air transportation (Care Flight). While we understand that REMSA is not the only provider of emergency services in the area, this organization recently began balance-billing patients.

While Prominence is confident that we will be able to come to a reasonable agreement with REMSA, we are prepared to offer our City of Carson members additional support in these unfortunate situations through the benefit of Karis, a medical bill negotiation service.

Specific to the two air ambulance cases in which REMSA is billing members above what their health plan benefit paid, Prominence has provided, at no cost to the member, the services of Karis to assist with bringing the balance due to zero dollars. In the event that Karis is unable to negotiate \$0 balance due to the member, Prominence agrees to pay any additional balance due for these members.

Additionally, as a show of good faith to our partners in health, Prominence extends this offer to any City of Carson Prominence member who experiences a similar situation in regards to REMSA (or any air ambulance provider) until the time we can either contract with REMSA, develop another mutually satisfactory solution, or until July 1, 2019.

At this time, REMSA is the only emergency air transportation company that balance bills a patient after the insurance company has paid the claim.

Please see the Karis information flier accompanying this memo.

### Free Standing Radiology Facilities

Prominence is very pleased to share that effective April 1, 2018, we will enhance the benefits for City of Carson members by setting all outpatient radiology benefits at the first tier level. The second hospital level tier will no longer be offered and our City of Carson insureds will enjoy the higher benefit level.

Due to the timing of this decision, the Summary of Benefits document cannot be updated until the employer groups' renewal. Education to our internal team is in place now and our Provider Relations team will give Great Basin Imaging in Carson City the the good news. Due to the logistics of changing the Summary of Benefits, it is likely that the members and providers will still see the old benefit structure on the Prominence website. We will communicate this benefit enhancement to our members directly to help eliminate confusion. Between our providers, our members and our internal Customer Service Team, it is our expectation that no one will experience misquoting or claims payment errors.

Thank you again for the opportunity to provide our members with the world-class customer experience they deserve.



# Carson City

July 1, 2018  
thru  
June 30, 2019

Master Application-July 2013



SECTION 1: PURPOSE		COVERAGE TYPE(S)		REQUESTED EFFECTIVE DATE	
<input checked="" type="checkbox"/> Submit a new application <input type="checkbox"/> Request change(s) for group no.		<input checked="" type="checkbox"/> Medical <input type="checkbox"/> Dental <input type="checkbox"/> Vision Rider (add-on to medical plan)		(mm/dd/yyyy) U//U1/2U1/	
Company Name (Legal Name) Carson City, NV			DBA/Doing Business As (if applicable)		
Street Address (P.O. Box not acceptable) 201 N. Carson St. Suite 4		City Carson City	State NV	ZIP 89701	
Billing Address (if different than above)		City	State	ZIP	
Phone Number 775-283-7043		Fax Number 775-887-2522			
Company Contact Name Melanie Bruketta		State of Domicile			
Company Contact Title Human Resources Director		Company Contact E-mail Address MBruketta@Carson.org			
Billing Contact Name (if different from Company Contact) Jacque Cassinelli		Billing Contact E-mail Address JCassinelli@carson.org			
Enrollment Contact Name (if different from Company Contact) Jacque Cassinelli		Enrollment Contact E-mail Address JCassinelli@carson.org			
SIC Code	Nature of Business	Federal Tax ID Number 88-6000189		Date Business Established (MO/YR):	
Employer Classification <input type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> LLC <input type="checkbox"/> LLP <input checked="" type="checkbox"/> Other: <u>Government</u>					

The minimum hourly requirement for offering coverage is 30 hours per week. (The requirement per ACA regulations is 30 hours or more per week. A lesser amount requires approval from Prominence Health Plan.)

SECTION 2: MEDICAL COVERAGE SELECTION – Medical Plans	
Please complete your medical plan selection(s) along with corresponding pharmacy selection(s):	
<b>MEDICAL</b> (For example PPO Core 1, HMO Beyond 5, HMO Core 2 \$2500 DED, etc.)	<b>PHARMACY</b> (For example \$5/\$20/\$40, \$15/\$40/60, \$25/\$50/\$75, \$15 Generic, etc.)
Plan 1 Medical Choice <u>1500 HMO 1540 (Custom)</u>	Plan 1 Rx Choice <u>\$15/40/60D</u>
Employer Contribution for Employee \$_____ per month OR <u>100</u> % employee    AND	Employer Contribution for Dependent \$_____ per month OR <u>65</u> % dependent
Plan 2 Medical Choice <u>1500 POS (Custom)</u>	Plan 2 Rx Choice <u>\$15/40/60D</u>
Employer Contribution for Employee \$ <u>541.</u> per month OR _____ % employee    AND	Employer Contribution for Dependent \$_____ per month OR <u>65</u> % dependent
Plan 3 Medical Choice _____	Plan 3 Rx Choice _____
Employer Contribution for Employee \$_____ per month OR _____ % employee    AND	Employer Contribution for Dependent \$_____ per month OR _____ % dependent
Plan 4 Medical Choice _____	Plan 4 Rx Choice _____
Employer Contribution for Employee \$_____ per month OR _____ % employee    AND	Employer Contribution for Dependent \$_____ per month OR _____ % dependent
1. Do you, or any third party on your behalf, in any way fund or subsidize any portion of the member's cost sharing responsibilities (deductibles, coinsurance or copays)? Select types of funding arrangements that apply: <input checked="" type="checkbox"/> No third party arrangement <input type="checkbox"/> Gap <input type="checkbox"/> Wrap <input type="checkbox"/> HSA <input type="checkbox"/> HRA <input type="checkbox"/> Other _____ If "Yes," carrier used and how much? _____	
2. Does this group have a flex plan under Section 125 of the Internal Revenue Service Code? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

SECTION 3: DENTAL COVERAGE SELECTION – Dental Plans	
<input type="checkbox"/> Dental Plan A <input type="checkbox"/> Dental Plan C Plus <input type="checkbox"/> Dental Plan D Plus <input type="checkbox"/> Dental Plan B Plus (Child Only Ortho) <input type="checkbox"/> Dental Plan D Plus (Child Only Ortho)	<input type="checkbox"/> Dental Plan B <input type="checkbox"/> Dental Plan C-1 <input type="checkbox"/> Dental Plan D-1 <input type="checkbox"/> Dental Plan C Plus (Child Only Ortho) <input type="checkbox"/> Dental Plan D1 Plus (Child Only Ortho)
<input type="checkbox"/> Dental Plan B Plus <input type="checkbox"/> Dental Plan C-1 Plus <input type="checkbox"/> Dental Plan D-1 Plus <input type="checkbox"/> Dental Plan C1 Plus (Child Only Ortho) <input type="checkbox"/> Dental Plan E1 Plus (Child Only Ortho)	<input type="checkbox"/> Dental Plan C <input type="checkbox"/> Dental Plan D <input type="checkbox"/> Other (available to groups 250+) _____ <input type="checkbox"/> Dental Plan E2 Plus (Child Only Ortho)
Employer Contribution for Employee <input type="checkbox"/> Included in medical contribution OR \$_____ per month OR _____ % employee	
Employer Contribution for Dependent <input type="checkbox"/> Included in medical contribution OR \$_____ per month OR _____ % dependent	



**SECTION 4: WORKERS' COMPENSATION**

Does your company offer Workers' Compensation?  Yes  No

**SECTION 5: AFFORDABLE CARE ACT (ACA) MEDICAL LOSS RATIO REQUIREMENTS**

What is the average number of employees you employed for the entire previous calendar year regardless of whether or not they were eligible for coverage? An employee is defined as any person for whom the company issues a W-2, including full-time, part-time, and seasonal workers, and regardless of insurance eligibility. \_\_\_\_\_ Employees

**SECTION 6: ELIGIBILITY – Please tell us more about your group**

- A. In total, how many full-time and part-time employees (including any seasonal employees, owners or partners) have you employed on 50% or more of your business days during the prior calendar year? 570 Full-time Employees 168 Part-time Employees
- B. How many employees (including employed owners/officers) work at least 30 hours/week, not including those working on a temporary or substitute basis? 570
- C. How many employees are currently in the required probationary/waiting period? 15
- D. Would you like to waive the probationary period for ALL existing employees at initial enrollment?  Yes  No
- E. How many are enrolling in this employer's groups coverage? Medical \_\_\_\_\_ Dental 0
- F. How many are enrolling in group coverage elsewhere, or have an individual policy? 0
- G. How many work or live outside the state of Nevada? 0
- H. Will coverage be restricted to a certain classification of employees? \*  Yes  No  
If yes, please explain what class(es) Full time employees
- I. Does your company have a policy that if a spouse is offered coverage by their employer, they are not an eligible dependent?  Yes  No

- J. Would you like to offer coverage for domestic partners?  Yes  No  
Under Nevada law, employers may voluntarily provide coverage to domestic partners.
- K. Please identify the probationary/waiting period for new employees as being the **first of the month** after (not to exceed 90 days from date of hire):  
 All employees OR  Class 1: \_\_\_\_\_  
 hire date  30 days  60 days  no waiting period (coverage begins on date of hire)  
 Class 2 (if applicable): \_\_\_\_\_  
 hire date  30 days  60 days  no waiting period (coverage begins on date of hire)
- L. Coverage terminates for employee(s):  Last day worked  Last day of the month
- M. Is your company currently subject to COBRA? (Employed 20 or more employees on at least 50% of working days in previous calendar year.)  Yes  No
- N. How many employees are currently on COBRA? Medical 1 Dental 3
- O. How many months are employees eligible to continue group coverage while on an employer-approved temporary **medical** leave of absence (maximum six months)?  
 none  1 month  2 months  3 months  
 4 months  5 months  6 months
- P. How many months are employees eligible to continue group coverage while on an employer-approved temporary **personal** leave of absence (maximum three months)?  
 none  1 month  2 months  3 months

\*Subject to issuance of Federal Guidelines directing otherwise.

**SECTION 7: Please tell us if your group has had coverage within 63 days of this application's signature date**

Will this plan replace current Health coverage? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If yes, the carrier is/was: _____	Termination date is/was (mm/dd/yyyy): _____
Dental coverage? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	_____	_____

**SECTION 8: GENERAL AGREEMENT**

I have conspicuously posted or distributed to all employees the "THE NOTICE OF A CHANGE IN GROUP COVERAGE" at least 15 days prior to the requested effective date in such a way to ensure all modifications have been posted or distributed on the group health plan.

I, undersigned, understand and agree this application is for the health care coverage offered by Prominence Health Plan, and will form a part of any contract issued in reliance upon it; and acceptance of the group for coverage and final rates are based upon the above information and the census of actual enrollees; and any material misrepresentation therein, whether intentional or unintentional, will permit Prominence Health Plan, to terminate such coverage. I acknowledge my Representative has explained the coverage's, limitations, and exclusions, and other details of the coverage applied for; and I have read and understand the Nevada Statutory Disclosures. I understand and agree it is my responsibility to offer coverage to all eligible employees and their dependents (when eligible); and I will provide to Prominence Health Plan, an enrollment form or a waiver of coverage form signed by each employee within 31 days of his/her eligibility date; and collect any employee contribution(s) toward premium. I understand and agree my group must maintain a minimum participation and contribution level for the coverage.

It is also understood any existing coverage presently being provided to employees should not be cancelled until written approval of this application has been received. A one-month deposit is being submitted, to be held without obligation until this application is approved. If the application is approved, the deposit will be applied to the first month's premium under the policy. If coverage does not become effective, the deposit will be refunded.

If purchasing a grandfathered plan (e.g. HEALTH PLAN grandfathered), any change in the employer contribution strategy from one year to the next must be reported to Prominence Health Plan immediately.

**Mediation and Arbitration Agreement**  
Group and Preferred Health Insurance Company (collectively, the "Parties") agree to mediate all unresolved disputes and claims. The Parties agree that if mediation is not successful they will arbitrate any and all disputes. **The Parties further agree that any arbitration under this Agreement will take place on an individual basis; Class Arbitration and Class Actions are not permitted.** A complete description of the Mediation/Arbitration Agreement is contained in the Employer Group Contract.

SECTION 9: SIGNATURES	
Name of company officer (Please print)	Title of company officer
Signature of company officer	Date (mm/dd/yyyy)
Accepted by officer of Prominence Health Plan	Date (mm/dd/yyyy)

**SECTION 10: AGENT CERTIFICATION – Please ask your agent to complete this section**

- I am not aware of any information not disclosed by the client in this application that may have bearing on this risk.
- I have not completed any of the information contained in the application except with the permission of the applicant and as noted by my initials and date on the application.
- I have not signed any of the applications for an employer representative or individual applicant. If after submission of this application, I request any additions or changes to any of the above information, I will do so only with the written consent of the applicant, and I authorize Prominence Health Plan to attribute such additions or changes to me.
- I have advised the employer that a failure to provide complete and accurate information may result in a loss of coverage retroactive to the effective date of coverage or re-rating of the employer's premium retroactive to the coverage effective date and that coverage shall not be effective until Prominence Health Plan reviews and approved the application and the employer receives a written notice from Prominence Health Plan.
- I am the appointed agent and am receiving commissions for the submission of this client. No portion of my commission payments from Prominence Health Plan shall be paid to an agent/producer not appointed/approved by Prominence Health Plan.
- I have advised the client not to terminate any existing coverage until receiving written notification from Prominence Health Plan that the coverage being applied for by this application is accepted.

11a. Writing Agent			11b. Second Writing Agent				
			%				%
Name			Name				
Federal Tax ID no. or Social Security no.			Federal Tax ID no. or Social Security no.				
Address			Address				
City	State	ZIP code	City	State	ZIP code		
Phone			Phone				
Fax			Fax				
E-mail address			E-mail address				
Signature		Date	Signature		Date		

FOR INTERNAL USE ONLY			
Agent name		Agent ID no.	
Address		City	State ZIP code





# Carson City

July 1, 2018  
thru  
June 30, 2019

Self-Bill Amendment

**AMENDMENT NUMBER TWO TO  
GROUP CONTRACTS**

**Whereas**, Saint Mary's Preferred Health Insurance Company, Inc. and Saint Mary's Health First ("Health Plan") and City of Carson City ("Group") have entered into a Group Contract effective on **July 1, 2011**.

**Whereas**, Health Plan and Group desire to make the premium billing and payment process more efficient and user friendly by permitting the use of Self-Billing;

**Whereas**, in accordance with Article VI, and pursuant to a mutual agreement between the undersigned parties to the Group Contract, the Group Contract is hereby amended as follows to permit Group to make its premium payments:

Article IX titled "Premium Payment" is supplemented with the following Section IX(F), titled "Self-Billing Reports" which provides as follows:

1. **Self-Billing Reports** – As of October 1, 2011, Group hereby agrees to submit premium payments to Health Plan, in accordance with the provisions stated below.

2. **Self-Billing Report Format Requirements** – The Self-Billing Report Format shall provide the following information:

- (a) Each Member's identification number assigned by the Health Plan; newly enrolled members may be initially posted without their I.D. number until it is assigned.
- (b) Each Member's last name/first name
- (c) Group's Group identification number (not the Plan number) and
- (d) The dollar amount of premium being remitted for each identified Member.

3. **Multiple Group Identification Numbers** – If there are multiple Group identification numbers used by Group, Group shall separate the information described in Item 3 by unique Group identification numbers.

4. **Changes to Self-Billing Reporting Format** – Saint Mary's may in its sole discretion, change the Reporting format requirements, described in Item 3 above, by providing Group with 60-days' advance written notice.

5. **Attestation** – Each month Group will submit their Self-Billing Report and it shall be acknowledged by Health Plan and Group as a declaration and attestation by Group that all employees listed on the Self-Billing Report have been properly enrolled for the month being reported. Any prospective change in the amount of an Eligible Employee's premium, due to a change in status, requires Group to timely file an appropriate change form with Health Plan.

6. **Premium Adjustments** – Group agrees that any premium adjustments required as the result of the termination of employment of employees or the hiring of new employees not previously shown on a Self-Billing Report shall be made by Group within the time frame described in the Group Contract.

7. **When Employee Coverage Ends** – Group agrees that an Eligible Employee's coverage shall end as of the last day of the month immediately preceding the Self-Billing Report which no longer shows the Eligible Employee as an Eligible Employee for coverage, unless a Termination Date is indicated during a reporting month on a Self-Billing report submitted by Group.

8. **Employees Not Listed Are Not Covered** – Group agrees that any Eligible Employee not listed on the Self-Billing Report certifies to Health Plan that the Employee is no longer eligible for coverage. No other formal notice terminating an Eligible Employee's coverage is required.



9. **Due Date For Self-Billing Report** – Group’s Self-Billing Report shall be due (that is communicated to Health Plan) on the first day of each calendar month for which coverage is provided. In no event shall the Self-Billing Report be provided to Health Plan later than the 10th day of a calendar month. Premium Payments are due as of the first day of each calendar month for which coverage is provided.

10. **Timely Payment of Premiums** – Group agrees to remit to Health Plan on the due date the total monthly premium owed on behalf of each Eligible Employee who is shown as an enrolled member of the Group Contract, in accordance with the terms of the Group Contract.

11. **Unilateral Right To Terminate This Addendum** – Group agrees that Health Plan has the unilateral right to terminate this Addendum to the Group Contract upon delivery of written notice of termination to Group.

12. **Supporting Documents** – Group agrees that upon the request of Health Plan, supporting documentation shall be provided to buttress its Eligible Employee representations.

13. **Record Retention** – Group agrees to retain written records supporting the information contained in the Self-Billing Reports for two calendar years after the date of the submission of each monthly Self-Billing Report.

14. **Rejection of Self-Billing Reports** – Group understands that Health Plan may reject an entire Self-Billing Report at any time for failing to comply with any of the requirements set forth above. Group agrees that a rejected Self-Billing Report will be corrected and resubmitted to Health Plan no later than five (5) business days after it receives notice that a Self-Billing Report has been rejected.

15. **Voluntary Agreement** – Group agrees that its participation in the Self-Billing Report program is completely voluntary and that it will continue to comply with all of the other terms of the Group Contract.

**Agreed and Accepted**

For Saint Mary's Preferred Health Insurance  
Company, Inc.

For Group: City of Carson City

  
Name: Dave Challis

  
Name: Robert L. Crowell

Title: Vice President and CFO

Title: Mayor

Date: 8/12/11

Date: 8-8-11



## **HR Simplified Employee Benefit Administration**

**Consumer Driven Healthcare Account and  
COBRA Administration Renewal for**

### **City of Carson City**

**Effective January 1, 2016**

**For Further Information Contact:**

**Jamie Davis**  
Account Executive  
[Jamie.Davis@hrsimplified.com](mailto:Jamie.Davis@hrsimplified.com)  
p. 952-737-6034



## Consumer Driven Healthcare Administration Service Fees:

Flexible Spending Account  
 Transportation and Parking Reimbursement Accounts  
 Health Reimbursement Arrangements  
 Health Savings Accounts  
 Wellness Reimbursement Account

Effective Date: January 1, 2016

Fee Guarantee Period: 3 Years

Core Plan Services	Rate / Fee
Annual Base Fee	\$500.00
<u>FSA Monthly Per Participant Fee</u> FSA Plan (includes both Medical and Dependent Care Accounts) \$100.00 monthly minimum total for all services	\$5.13
<u>Debit Card Fee</u> Standard issue to all plan participants. Includes Debit Cards for spouses and dependents.	Included
Check or ACH Deposit Reimbursements	Included
Secure Web Access for Participants and Administrators	Included
Welcome/Confirmation Letter	Included
Incoming Wire Transfer Fees, NSF Fees, Stop Payment, ACH Returns	\$25.00 each
<b>Optional Services</b>	
Create or Restate Plan Document / SPD (Non-Standard Plan may cost extra)	\$300 Create \$125 Restate
Form 5500 - Signature ready. Form 5500 is a required annual filing for plans with more than 100 plan participants. Consult your tax advisor for additional details and requirements.	\$200.00
Enrollment Meetings	On-Site - \$350 per day plus travel expenses. Webinar meetings - Included.
Additional Communication Materials	Standard Electronic Communications are Free. CD production, Printed material, priced as needed.
Enrollment Kits	Standard Electronic Communications are Free. Printed material, priced as needed.
Open Enrollment Form Fee	\$5.00 per enrollment form

## COBRA Administration Service Fees:

Qualifying Event Notices  
Initial Notices  
Premium Billing  
Premium Collection  
Eligibility Reporting

Effective Date: January 1, 2016

Fee Guarantee Period: 3 Years

	Volume	Rate / Fee
Annual Base Fee	0	\$0
Qualifying Event Fee – Per Notice Sent \$100.00 monthly minimum total for all services		\$0.00
COBRA Initial Notice Fee		\$0.00
Monthly Premium Refund via Paper Check		\$35.00/check
Per Employee Per Month		\$0.51
HIPAA Certificates – Post COBRA Only		Included
Annual Rate & Plan Change Notice Fee		Included
Eligibility Updates to Carrier or TPA		Included
COBRA Termination Notices to Participant and Carrier		Included
Monthly Reports Fee		Included
2% COBRA premium fee is retained by HR Simplified		
<b>TOTAL</b>		
<b><u>Optional Services</u></b>		
<b><u>Full Open Enrollment Support</u></b> Includes sending our full open enrollment packets to all Active and Pending COBRA Beneficiaries. Processing returned enrollment forms.		\$15.00 per packet plus postage (\$200.00 set up fee)
Medicare Part D Creditable Coverage Notice		\$3.00
Custom Communication		At cost to print and mail.

2012

COBRA COMPARISON

	HR SIMPLIFIED CURRENT	HR SIMPLIFIED PROPOSED	CDS PROPOSED
Notification	Electronic	Electronic	Manual - fax
Initial Notice	\$3,00	Fee Waived	CC to do
Term Notice	\$3.00	\$3.00	\$0.00
Employee fee	\$.60 per month	\$.50 per month	\$0.00
Admin fees	2% paid by member	2% paid by member	2% paid by member
St. Mary's payment	Electronic	Electronic	Manual
Dental payment	Electronic	Electronic	CC to do
Vision payment	Electronic	Electronic	CC to do



**EXHIBIT A**  
**Administrative Fees**

The Plan or Employer shall make payments of administrative service fees in accordance with the following schedule:

Cafeteria Plan Services

Annual Base Fee: \$500  
Administration Fee: \$5.00 per participant per month  
Open Enrollment Services: \$350 per day plus cost of traveling expenses

COBRA Coverage Services

General (Initial) Notice Fee: \$3.00 per notice  
Per Employee Per Month: \$0.60  
Administration Fee: 2% of premiums paid by COBRA participants – Retained by HR Simplified  
Open Enrollment Services: \$200.00 setup plus \$15.00 per packet mailed plus postage

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**HSA ADMINISTRATION SERVICES AGREEMENT  
ADDENDUM  
to the  
AGREEMENT FOR ADMINISTRATIVE SERVICES**

**between**

**HR Simplified, Inc. ("TPA")  
and  
City of Carson City ("Employer")**

The purpose of this Addendum is to describe the services, in addition to those services described in the Agreement, to be furnished by TPA to Employer with respect to the health savings accounts ("HSAs") established and maintained by Employer's employees.

**I. Definitions**

In addition to the definitions contained in the Agreement, which are hereby incorporated herein to the extent not inconsistent herewith, the following definitions shall apply to this Addendum:

- A. Addendum - means this HSA Administration Services Agreement Addendum to the Agreement.
- B. Effective Date - means the date upon which this Addendum, once fully executed by all parties, is first effective, July 1, 2018.
- C. HSA - means the health savings accounts established by employees of Employer to which Employer is making contributions (including contributions through the Employer's cafeteria plan).

**II. TPA Responsibilities**

- A. Eligibility. TPA shall assist Employer's employees to determine whether they are eligible for HSA contributions based upon information provided by such employees. Notwithstanding the foregoing, it shall be the ultimate responsibility of each employee to determine whether he or she is eligible for HSA contributions.
- B. Contribution Limits. TPA shall respond to inquires from Employer regarding whether the contributions made by or through the Employer exceed the contribution limit established by the Code. In performing this service, the TPA is entitled to rely upon the information provided by Employer. Notwithstanding the foregoing, Employer is responsible for all applicable tax reporting and withholding responsibilities resulting from excess contributions.
- C. Comparable Contributions. If Employer's HSA contributions are subject to the comparable contribution requirements of Section 4980G of the Code, TPA shall assist Employer, based upon information provided by Employer, with determining whether such contributions are comparable. The TPA may rely upon the information provided by Employer in performing this service. Notwithstanding the foregoing, it shall be the Employer's ultimate responsibility for ensuring its contributions comply with the comparable contributions rules, if applicable.
- D. Customer Service. TPA shall provide customer service with respect to inquiries from HSA owners regarding HSA balances, HSA distributions, and other issues regarding the HSAs. In some cases, TPA shall direct an HSA owner's inquiry to the HSA trustee/custodian.



- E. Website. TPA shall provide a website that HSA owners may access containing HSA account balance information.
- F. Debit Card Services. TPA will provide the following services with respect to the issuance of debit cards:
  - 1. Obtain all information necessary for issuance of debit cards to HSA owners. TPA is entitled to rely upon the accuracy and completeness of all information provided by Employer.
  - 2. Through its subcontractor, issue debit cards and process debit card transactions.
  - 3. Establish a process with the HSA custodian to withdraw funds from the HSAs to fund debit card transactions.
  - 4. Provide communications to HSA owners regarding use of debit cards.
- G. Distributions. Except as otherwise provided herein, TPA shall have no responsibilities with respect to distributions from HSAs. Distributions are made by the HSA trustee/custodian.

### **III. Duties of Employer**

- A. High Deductible Health Plan. Employer shall obtain the high deductible health plan coverage qualifying employees to make or receive HSA contributions and determine that such coverage meets the requirements of Section 223 of the Code.
- B. Establishing HSAs. Employer shall assist its employees with establishing HSAs at approved HSA trustees/custodians.
- C. HSA Contributions. Employer shall transfer HSA contributions (including contributions made via salary reduction through Employer's cafeteria plan) to the HSA trustee/custodian.
- D. Information. Employer shall provide all information to the TPA needed by the TPA to fulfill its responsibilities described above.
- E. Tax Reporting. Employer shall report all Employer HSA contributions on an employee's W-2.

### **IV. Term and Termination**

- A. Term. This Addendum is effective as of the Effective Date and shall continue in effect for the term of the Agreement, unless earlier terminated pursuant to this Section IV.B. of the Addendum.
- B. Termination. This Addendum shall terminate effective with the termination of the Agreement. In addition, this Addendum may be terminated or shall terminate, without the termination of the Agreement, as provided in Sections VII.B. and VII.C. of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

EMPLOYER

THIRD PARTY ADMINSTRATOR

By: Melanie Bunketta  
Company Representative  
City of Carson City

By: Michael P. Neely  
Authorized Representative of  
HR Simplified, Inc.

Its: CEO

**EXHIBIT A**  
**Administrative Fees**

The Plan or Employer shall make payments of administrative service fees in accordance with the following schedule:

HSA Administration Services

Account Set Up Fee:	\$0.00
Annual Base Fee:	\$0.00
Administration Fee:	\$2.50 per Participant per month
Minimum monthly fee:	\$100.00 (waived if paired with another reimbursement account)

All rates are guaranteed for three years from the effective start date.