MEMORANDUM

LEGISLATIVE REFERENCE BUREAU

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To: CCFN 110176

From: Mary E. Turk – Legislative Fiscal Analyst

Date: April 17, 2014

Subject: Addition to the File

This contract with United HealthCare Services, effective January 1, 2012, is being attached to the file on April 17, 2014, and was not in the file at the time of passage of this file.

January 10, 2012

To: Mayor Tom Barrett
Michael Daun, Deputy Comptroller

From: Michael Brady, Employee Benefits

Re: **Contract with UHC for Services in 2012**

Please sign and date the first page of this contract at your earliest convenience.
Please call Michael Brady at 414-286-2317 when this is signed.

Thank you.

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement ("Agreement") between United HealthCare Services, Inc. ("Our," "Us," or "We" in this Agreement) and City of Milwaukee ("You" or "Your" in this Agreement) is effective January 1, 2012 ("Effective Date"). This Agreement covers the services We are providing to You, either directly or in conjunction with one of Our affiliates, for use with Your Self-Funded employee benefit plan.

United HealthCare Services, Inc. identifies this arrangement as Contract No.: 712481.

By signing below, each party agrees to the terms of this Agreement.

United HealthCare Services, Inc.
185 Asylum Street
Hartford, CT 06103-3408

By: _____

Authorized Signature

Print Name: Forrest Burke

Print Title: President, Public Sector

Date: 1-11-12

City of Milwaukee
200 East Wells Street
Milwaukee, WI 53202

By: _____

Authorized Signature

Print Name: Tom Barrett

Print Title: Mayor

Date: 1-10-2012

City of Milwaukee
200 East Wells Street
Milwaukee, WI 53202

By: _____ AS

Authorized Signature

Print Name: Johr Egan

Print Title: Special Deputy Comptroller

Date: JAN 10, 2012

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Section 1 – Definitions

When these terms are capitalized in the Agreement they have the meanings set forth below. The words may be singular or plural.

Agreement Period: The period of thirty-six (36) months commencing on the Effective Date and which may be renewed for an additional 12-month period upon the consent of both parties.

Bank: JPMorgan Chase Bank, New York, New York.

Bank Account: Benefits Demand Deposit Bank Account maintained for the payment of Plan benefits, expenses, and fees.

Employee: A current or former employee of You or an affiliated employer as described in Section 2.4.

IRC: The United States Internal Revenue Code of 1986, as amended from time to time.

Network: The group of Network Providers We make available to the Plan who have entered into or are governed by contractual arrangements under which they agree to provide health care services to Participants and accept negotiated fees for these services.

Network Provider: The physician, or medical professional or facility which participates in a Network. A provider is only a Network Provider if they are participating in a Network at the time services are rendered to the Plan Participant.

Overpayments: Payments that exceed the amount payable under the Plan. This term does not include overpayments caused by untimely or inaccurate eligibility information.

Participant: Employee or dependent who is covered by the Plan.

PHI: Any information We receive or provide on behalf of the Plan which is considered Protected Health Information as the term is defined in the privacy regulations of the Health Insurance Portability and Accountability Act of 1996.

Plan: The plan to which this Agreement applies, but only with respect to those provisions of the plan relating to the Self-Funded health benefits We are administering, as described in the Summary Plan Description.

Plan Administrator: The current or succeeding person, committee, partnership, or other entity designated the Plan Administrator who is generally responsible for the Plan's operation.

Proprietary Business Information: Except as provided under the Wisconsin Public Records Law, nonpublic information, trade secrets, and other data including, but not limited to, sales and marketing information, management systems, strategic plans and other information about the disclosing party's business, industry, products and services, plans, specifications, operation methods, pricing, costs, techniques, manuals, know-how and other intellectual property, in written, oral or other tangible form, provided by one party to another or its representative; and all information, documents, technology, products, and services containing or derived from Proprietary Business Information which was or may have been transmitted, given or made available to or viewed by one party or another in the course of the receiving party's relationship. Our Proprietary Business Information shall include, but not be limited to, financial provisions related to prescription drug products covered under the medical benefit.

Rebates: All rebates, discounts or other financial incentives (whether access, base, Prescription Drug List (PDL), incentive, market share, volume, or other), and administrative fees which We receive directly or indirectly from a pharmaceutical manufacturer and which are obtained in connection with prescription drug products dispensed to Participants under the Plan's medical benefit.

Self-Fund or **Self-Funded:** Means that You, on behalf of the Plan, have the sole responsibility to pay, and provide funds, to pay for all Plan benefits. We have no liability or responsibility to provide these funds. This is true even if We or Our affiliates provide stop loss insurance to You.

Summary Plan Description or SPD: The document(s) You provide to Plan Participants describing the terms and conditions of coverage offered under the Plan.

Systems: Means the systems We own or make available to You to facilitate the transfer of information in connection with this Agreement.

Tax or **Taxes:** A charge imposed, assessed or levied by any federal, state, local or other governmental entity.

Urgent Care Claims: A claim for medical services and supplies which meets ERISA's definition of Urgent Care Claim.

Wisconsin Public Records Law means subchapter II of Chapter 19 of the Wisconsin Statues, sections 19.21 through 19.39, as the same may be amended from time to time.

Section 2 – Employee Benefit Plan: Your Responsibilities

Section 2.1 Responsibility for the Plan. We are not the Plan Administrator of the Plan. Any references in this Agreement to Us "administering the Plan" are descriptive only and do not confer upon Us anything beyond certain agreed upon claim administration duties. Except to the extent this Agreement specifically requires Us to have the fiduciary responsibility for a Plan administrative function, You accept total responsibility for the Plan for purposes of this Agreement including its benefit design, the legal sufficiency and distribution of SPDs, and compliance with any laws that apply to You or the Plan, whether or not You or someone You designate is the Plan Administrator.

Section 2.2 Plan Consistent with the Agreement. You represent that Plan documents, including the Summary Plan Description as described in Exhibit A - Services, are consistent with this Agreement. Nevertheless, before distributing any communications describing Plan benefits or provisions to Participants or third parties, You will provide Us with copies of the Summary Plan Description and Employee communications which refer to Us or Our services prior to distributing these materials to Employees or third parties. You will amend them if We reasonably determine that references to Us are not accurate, or any Plan provision is not consistent with this Agreement or the services that We are providing.

Section 2.3 Plan Changes. You must provide Us with notice of any changes to the Plan and/or Summary Plan Description within a reasonable period of time prior to the effective date of the change to allow Us to determine if such change will alter the services We provide under this Agreement. Any change in the services to be provided by Us under this Agreement which would be caused by any aforementioned changes must be mutually agreed to in writing prior to implementation of such change. We will notify You if (i) the change increases Our cost of providing services under this Agreement or (ii) We are reasonably unable to implement or administer the change. If the parties cannot agree to a new fee within (30) thirty days of the notice of the new fee or if We notify You that We are unable to reasonably implement or administer the change, We shall have no obligation to implement or administer the change, and You may terminate this Agreement upon (60) sixty days written notice.

Section 2.4 Affiliated Employers. You represent that together You and any of Your affiliates covered under the Plan make up a single "controlled group" as defined by the IRC. You agree to provide Us with a list of Your affiliates covered under the Plan upon request.

Section 3 – Your Other Responsibilities

Section 3.1 Information You Provide to Us. You will tell Us which of Your Employees, their dependents and/or other persons are Participants. This information must be accurate and provided to Us in a timely manner. We will accept eligibility data from you in the format described in Exhibit A - Services. You will notify Us of any change to this information as soon as reasonably possible.

We will be entitled to rely on the most current information in Our possession regarding eligibility of Participants in paying Plan benefits and providing other services under this Agreement. We will not be required to make retroactive eligibility changes, process or reprocess claims, but if We agree to do so, additional fees may apply.

You agree to provide Us (or cause Your vendor to provide Us), in a timely manner with all information that We reasonably require to provide Your Participants with disease management services as described in accordance with

Exhibit A - Services and Our program guidelines. We shall be entitled to rely on the information that is provided to Us in connection with Our provision of disease management services to Your Participants.

Section 3.2 Notices to Participants. You will give Participants the information and documents they need to obtain benefits under the Plan within a reasonable period of time before coverage begins. In the event this Agreement is discontinued, You will notify all Participants that the services We are providing under this Agreement are discontinued.

Section 3.3 Escheat. You are solely responsible for complying with all applicable abandoned property or escheat laws, making any required payments, and filing any required reports.

Section 4 – Services Provisions

Section 4.1 Administrative Services. We will provide the administrative services described in Exhibit A – Services.

Section 4.2 Network Access, Management and Administration. We will provide access to Networks and Network Providers, as well as related administrative services including physician (and other health care professional) relations, clinical profiling, contracting and credentialing, and network analysis and system development. The make-up of the Network can change at any time. Notice will be given in advance or as soon as reasonably possible.

We do not employ Network Providers and they are not Our agents or partners. Network Providers participate in Networks only as independent contractors. Network Providers and the Participants are solely responsible for any health care services rendered to Participants. We are not responsible for the medical outcomes or the quality or competence of any provider or facility rendering services, including Network Pharmacies and services provided through Our affiliates' networks, or the payment for services rendered by the provider or facility.

Value Based Contracting Program.

Alternative Payment Methodologies. Our contracts with some Network Providers may include withholds, incentives, and/or provide that a bonus is earned and conditioned on meeting standards relating to utilization, quality of care, efficiency measures, compliance with Our other policies or initiatives, or other clinical integration or practice transformation standards. You shall fund the Alternative Payment Methodologies due the Network Providers as soon as We make the determination the Network Provider is entitled to receive the payment under the Network Provider's contract.

Reporting. As We build out Our reporting capabilities We shall provide You reports describing the amount of Alternative Payment Methodologies made on behalf of Your plan.

Co-pay, Coinsurance and Deductibles. Only the initial claims based reimbursement to Network Providers will be subject to the Participant's rendering of a copayment, coinsurance or deductible. Subsequent payment of a performance bonus or incentive under the Network Provider's contract, although attributable to the covered services rendered by the Network Provider during the measurement period, will generally not give rise to a second coinsurance obligation or deductible liability for the Participants who received the original covered services to which the bonus or incentive is attributed; instead, You will pay the Network Provider the full bonus amount attributable to Your Participants, without a reduction for copayments or deductibles. You also agree that Participants may not be responsible for making a copayment or coinsurance payment on a bonus or incentive payment, as noted above, and therefore there will be no impact from the payment of a performance bonus or incentive on the calculation of the Participant's progress toward satisfying their annual deductible amount for the Plan year in question.

Section 4.3 Claim Recovery Services. We will provide recovery services for Overpayments, but We will not be responsible for recovery costs except as otherwise stated in this section. We will be responsible for recovery costs and reimbursement of any unrecovered Overpayment only to the extent the Overpayment was due to Our gross negligence.

In some instances, We may be able to obtain Overpayment recoveries by applying (or offsetting) the Overpayment against future payments to the provider made by Us. In effectuating Overpayment recoveries through offset, We will follow Our established Overpayment recovery rules which include, among other things, the prioritization of Overpayment credits based on the age of the Overpayment in Our system and funding type. In Our application of

Overpayment recovery through offset, timing differences may arise in the processing of claims payments, disbursement of provider checks, and the recovery of Overpayments. As a result, the Plan may in some instances receive the benefit of an Overpayment recovery before We actually receive the funds from the provider. Conversely, We may receive the funds before the Plan receives the credit for the Overpayment. It is hereby understood that the parties may retain any interest that accrues as a result of these timing differences. Details associated with Overpayment recoveries made through offset will be identified in the monthly reconciliation report provided to the designated representative for Your Plan.

We will also provide services to recover Plan benefits that were paid and are recoverable by the Plan because payment was or should have been made by a third party for the same medical expense (other than in connection with coordination of benefits, Medicare, or other Overpayments). This is referred to as "Third Party Liability Recovery" (or "subrogation"). You will not engage any entity except Us to provide the services described herein without Our prior approval.

You will be charged fees when any of the services described herein are provided by Us through a subcontractor or affiliate. The fees are deducted from the actual recoveries. You will be credited with the net amount of the recovery.

You delegate to Us the discretion and authority to develop and use standards and procedures for any recovery, including but not limited to, whether or not to seek recovery, what steps to take if We decide to seek recovery, and the circumstances under which a claim may be compromised or settled for less than the full amount of the claim. You acknowledge that use of Our standards and procedures may not result in full or partial recovery for any particular case. We will not pursue any recovery if it is not permitted by any applicable law, or if recovery would be impractical. We may initiate litigation to recover payments, but We have no obligation to do so. If We initiate litigation, You will cooperate with Us in the litigation.

If this Agreement terminates, or, if Our recovery services terminate, We can continue to recover any payments We are in the process of recovering. The appropriate fees will continue to be deducted from the actual recovery, when and if a recovery is obtained.

Section 4.4 Abuse and Fraud Management. We or Our affiliate will provide services related to the detection, prevention, and recovery of abusive and fraudulent claims.

Our Abuse and Fraud Management processes will be based upon Our proprietary and confidential procedures, modes of analysis and investigations.

We will use these procedures and standards in delivering Abuse and Fraud Management services to You and Our other customers. These procedures and standards include, but are not limited to: whether or not to seek recovery, what steps to take if We decide to seek recovery, and under what circumstances to compromise a claim or settle for less than the full amount.

You delegate to Us the discretion and authority to use such procedures and standards, including the authority to undertake actions, including legal actions, which have the largest impact for the largest number of customers.

You acknowledge that the use of these procedures and standards may not result in full or partial recovery or in full recovery for any particular case. We do not guarantee or warranty any particular level of prevention, detection, or recovery. We agree to perform Abuse and Fraud Management services pursuant to the industry standards for such services. If this Agreement terminates, or if Our claim recovery services terminate, We can elect to continue fraud and abuse recoveries that are in progress, and the fees will continue to apply.

Section 4.5 Medical Benefit Drug Rebate Payments. From time to time, We or a subcontractor may negotiate with drug manufacturers regarding the payment of medical benefit Rebates on applicable prescription drug products dispensed to Participants under the Plan's medical benefit. You will receive 80% of the medical benefit Rebates We receive. We will retain the balance of such medical benefit Rebates as part of Our compensation.

When We negotiate directly with drug manufacturers for the payment of medical benefit Rebates to Us, We will pay You the agreed upon Rebates within thirty (30) calendar days of Our receipt of such Rebates from the drug manufacturer. If We are not able to make payment to You within thirty (30) calendar days, We will pay interest on such Rebates from the date of receipt until We make payment to You, less approximately thirty (30) days for processing. We will retain interest earned during this processing timeframe. We will pay medical benefit Rebates to You in the agreed upon amount no less than annually. Interest will be paid at the one month London Interbank Offered Rate (LIBOR) in effect on the first business day of each applicable month.

You will only receive Your medical benefit Rebates to the extent that medical benefit Rebates are actually received by Us. Thus, for example, if a government action or a major change in pharmaceutical industry practices prevents Us from receiving medical benefit Rebates, the amount You receive may be reduced or eliminated.

You agree that during the term of this Agreement, neither You nor the Plan will negotiate or arrange or contract in any way for medical benefit Rebates on or the purchase of prescription drug products from any manufacturer under the Plan's medical benefit. If You or the Plan does, We may, without limiting Our right to other remedies, immediately terminate Your and Plan's entitlement to medical benefit Rebates (including forfeiture of any medical benefit Rebates earned but not paid). In addition, You agree to reasonably cooperate with Us in order to obtain medical benefit Rebates.

Subcontractor Compensation: If a subcontractor is involved in negotiating with drug manufacturers regarding the payment of medical benefit Rebates, it may retain a portion of the gross amounts received from drug manufacturers in connection with such products. We will provide information on the amount, if any, retained by the subcontractor as compensation for its services, in advance of Your execution of this Agreement. In addition, We will provide You with thirty (30) days advance notice of any material increase in or method for subcontractor compensation. If at any time You do not find the subcontractor compensation acceptable, You may terminate the medical benefit Rebates services after thirty (30) days advance written notice to Us.

Section 5 – Benefit Determinations and Appeals

Section 5.1 Claim Procedures. You appoint Us a named, fiduciary under the Plan with respect to (i) performing initial benefit determinations and payment, (ii) performing the fair and impartial review of first level internal appeals, and (iii) performing the fair and impartial review of second level internal appeals. As such, You delegate to Us the discretionary authority to (i) construe and interpret the terms of the Plan, (ii) to determine the validity of charges submitted to Us under the Plan, and (iii) make final, binding determinations concerning the availability of Plan benefits under the Plan's internal appeal process.

If it is determined that a benefit is payable, We will issue a check for, or otherwise credit the benefit payment to the appropriate payee.

If We deny a Plan benefit claim, the claimant shall have the appeal rights set forth in the Summary Plan Description, and/or which are required under applicable law. If We determine that all or a part of the benefit is not payable under the Plan, We will notify the claimant of the adverse benefit determination and of the claimant's right to appeal the adverse benefit determination. This notification will comply with requirements for adverse benefit determination notices.

If, after the exhaustion of the two levels of internal appeal with Us, We determine that the Plan benefit is still not available, We will notify the claimant that the adverse benefit determination has been upheld. This notice will comply with the applicable requirements for adverse benefit determination notices. This determination will be final and binding on the claimant, and all other interested parties, except as otherwise provided under the external review program described in Section 5.2.

Appeals of Urgent Care Claims

Notwithstanding the foregoing, with respect to Urgent Care Claims, We will conduct one review of a denied Urgent Care Claim and issue a final determination as soon as possible, in accordance with applicable law.

Section 5.2 External Review Program. We will notify claimants of the option to request an external review of adverse benefit determinations following the required internal appeal process. We will, in accordance with applicable law: (i) provide claimant with the necessary procedures to obtain the review (ii) coordinate submission of

the claimant's case to an independent review organization, and (iii) notify the claimant of the final external review decision. A fee will apply beyond the maximum number of free reviews, as listed in Exhibit B, Service Fees.

Section 6 – Service Fees

Section 6.1 Service Fees. You will pay Us fees for Our services. The service fees listed in Exhibit B of this Agreement are effective for the Agreement Period shown in the Exhibit. In addition to the service fees specified in Exhibit B, You must also pay Us any additional fee that is authorized by a provision elsewhere in this Agreement or is otherwise agreed to by the parties.

Section 6.2 Changes in Service Fees. Should the parties agree to renew this Agreement for an additional twelve-month term upon expiration of the initial Agreement Period, We will provide You with a new Exhibit B setting forth the services fees for such renewal that will replace the existing Exhibit B for the new Agreement Period.

We also can change the services fees (i) any time there are changes made to this Agreement or the Plan, which affect the fees, (ii) when there are changes in laws or regulations which affect or are related to the services We are providing, or will be required to provide, under this Agreement, including the Taxes and fees noted in Section 12.3 (iii) if the number of Employees covered by the Plan or any Plan option changes by ten percent (10%) or more, or (iv) if the average contract size, defined as the total number of enrolled Participants divided by the total number of enrolled Employees, varies by 10% or more from the assumed average contract size set forth in Exhibit B. Any new service fee required by such change will be effective as of the date the changes occur, even if that date is retroactive.

If You do not agree to any change in service fees, You may terminate this Agreement upon thirty (30) days written notice after You receive written notice of the new fees. You must still pay any amounts due for the periods during which the Agreement is in effect.

Section 6.3 Due Dates, Payments, and Penalties. In some cases, We will bill You for the amounts that You owe or We estimate You owe Us. In these cases, the amounts owed are due and payable on the Due Date shown on the bill. In other cases, We will provide You with advance statements in advance that You complete and either send to Us or verify through electronic acknowledgement. For advance statements, the Due Date for payment is the first day of the next calendar month.

Late Payment: If amounts owed are not paid within fifteen (15) days after their Due Date ("Grace Period"), You will pay Us interest on these amounts at the interest rate that We charge to Our self-funded customers. You agree to reimburse Us for any costs that We incur to collect these amounts. Our decision to provide You with a Grace Period will be based on Our assessment of Your financial condition, as of the Effective Date, and Your compliance with material financial obligations. If We determine, based on reasonable information and belief, that Your financial condition has deteriorated, or You continue to fail to comply with the material financial obligations specified in this Agreement, We may remove the Grace Period upon notice to You and reserve the right to either charge interest on payments not received after the Due Date or terminate the Agreement if payments are not received by the Due Date.

Section 6.4 Reconciliation. For each Agreement Period, We will reconcile the total amounts You paid with the total amounts You owed. If the reconciliation indicates that We owe You money, Your next payment will be credited. If the reconciliation indicates that You owe Us money, We will invoice You for the amount due. The Due Date for these amounts is the first day of the next calendar month. You will pay Us within thirty (30) days after receiving notice of the amounts that You owe Us. For payments made after this thirty (30) day period, You will pay Us interest on these amounts at the interest rate that We charge to Our other self-funded customers.

If the Agreement is terminated, We will pay You the amount owed within thirty (30) days after We perform a final reconciliation. If the final reconciliation indicates that You owe Us money, You will pay Us within thirty (30) days after receiving notice of the amount owed.

For payments You make after thirty (30) days of receiving notice of the amounts that You owe Us, We will charge interest at the interest rate that We charge Our other self-funded customers.

Section 7 – Providing Funds For Benefits

Section 7.1 Providing Funds for Benefits. The Plan is Self-Funded. You are solely responsible for providing funds for payment for all Plan benefits payable to Participants, Network Providers, or non-Network Providers.

Section 7.2 Bank Account. We under Your employer identification number, will open and maintain a Bank Account at the Bank to provide Us the means to access Your funds for the sole purpose of payment of Plan benefits, expenses and fees. The Bank Account will be a part of the network of accounts that have been established at the Bank for Our self-funded customers. The funds in the Bank Account are Yours.

Section 7.3 Balance In Account. You will maintain a minimum balance in the Bank Account in an amount equal to not less than 7 days of expected Bank Account activity. We will establish this amount based on expected Plan benefit payments, with appropriate adjustments for anticipated non-daily activity (e.g., prescription drug benefits and administrative fee payments) as determined by Us. Based on Your claim projections for the 2012 Plan year, 7 days of expected Bank Account activity as of January 1, 2012 has been identified as $2,890,000. The balance in the Bank Account will be reviewed periodically during the year and We will determine if the balance should be adjusted based on changes to Your claim activity. We will notify You if and when the required balance or the amount identified above changes.

The required minimum balance is based on Your financial condition as assessed by Us. In the event We determine, based on reasonable information and belief, that Your financial condition has deteriorated or You continue to fail to comply with the material financial obligations specified in this Agreement, We may revise the required balance effective five (5) days from the date of notice.

Section 7.4 Issuing and Providing Funds for Checks and Non-Draft Payments. The checks We write and issue to pay Plan benefits under this Agreement will be written on one or more common accounts that are a part of the network of accounts maintained at the Bank for Our self-funded customers. When the checks for Plan benefits are presented to the Bank, the Bank will notify Us and We will direct the Bank to accept or reject the checks and direct the Bank to withdraw funds from the Bank Account to fund the checks that are cashed.

The non-draft payments we issue to pay Plan benefits under this Agreement will be paid from one or more common accounts that are part of the network of accounts maintained at the Bank for our customers. We will direct the Bank to withdraw funds from the Bank Account to fund the non-draft payments as they are issued.

Section 7.5 Transfers of Funds. Funds will also be withdrawn from the Bank Account when a transfer of funds We made to pay Plan benefits is completed, such as when an electronic funds transfer has been made to a health care provider to pay benefits under the Plan.

Section 7.6 Service Fees and Other Expenses. Funds will also be withdrawn from the Bank Account on the due date of any service fees which You have authorized to be paid to Us and for the payment of other Plan expenses such as state surcharges or assessments.

Section 7.7 Calls for Funds. The withdrawals for Plan benefits and service fees are paid for by the balance You maintain in the Bank Account.

Every 5 business day(s), You will transfer to the Bank Account the amount of funds which have been withdrawn from the Bank Account over the past 5 business day(s). You will transfer that amount using a method agreed upon by You, Us and the Bank. This transfer will replenish Your balance in the Bank Account. The number of days between transfers and the method of transfer are based on Your financial condition as of the Effective Date as assessed by Us, as well as Your compliance with material financial obligations. We reserve the right to increase the frequency of such fund transfers and/or change the method of transfer if We determine, based on reasonable information and belief, that Your financial condition has deteriorated, or You continue to fail to comply with the material financial obligations specified in this Agreement.

Section 7.8 Underfunding. If You do not provide the amounts sufficient to maintain the required minimum balance in the Bank Account, or to cover Bank Account withdrawals: (1) You must immediately correct the deficiency and provide prompt notice to Us in either event. (2) If We learn of the funding deficiency, We will notify You so You can correct the deficiency. (3) You agree that We may stop issuing checks and non-draft payments and suspend any of Our other services under this Agreement for the period of time You do not provide the required funding. (4) If

You do not make the required payment(s) to correct the funding deficiency, We may terminate this Agreement effective as of any date following one business day after We provide notice of the funding deficiency. At Your expense, We may also place stop payments on checks if We determine that You have insufficient funds in Your corporate funding bank account to honor such checks. You will pay interest on the amount of underfunding at the standard rate that We charge to Our self-funded customers for underfunding of bank accounts. The notice provisions contained in Termination Events, Section 9.1, do not apply to this breach.

At the end of each claims processing time period, We will notify You of the amount needed to pay claims processed and fees that are due. Upon notice to You of the amount due for claims processed and fees that are due, You will fund the designated amount(s) within one business day via Automated Clearing House (ACH) transfer to the designated Bank Account for payment of Plan benefits. You will initiate the fund transfers unless We determine that Your financial condition as of the Effective Date, as assessed by Us, has deteriorated or You fail to comply with the material funding and financial obligations specified in this Agreement. If either condition occurs, You agree to authorize Us to initiate the transfers.

Section 7.9 Outstanding Checks. We will send a search letter to the payee on all checks that have not been cashed within six (6) months. We will stop payment on all checks We have issued under this Agreement that have not been cashed within twelve (12) months and provide You with reports You need for the purposes of performing escheat.

Section 7.10 Termination of Agreement. When this Agreement terminates, the funding method for Plan benefits will remain in place for a limited period of time. That time period will be dependent upon run-out administration. After this period, that funding method will cease. You will then deposit and maintain in the Bank Account enough funds to cover all checks for Plan benefits that have been issued but not cashed. This balance will remain in the Bank Account for a limited period of time to fund the outstanding checks. This period will be reasonable, as determined by Us, and applied on a consistent basis to Our self-funded customers. We will stop payment on all checks that remain uncashed at the end of this period and you will request in writing to close the Bank Account and recover any funds remaining in it. We will provide bank statements and Bank Account reconciliation reports, including reports You need for the purposes of performing escheat.

Section 8 – Term Of The Agreement

Section 8.1 Services Begin. We will begin providing You claim processing services under this Agreement on the Effective Date. These services apply only to claims for Plan benefits that are incurred on or after the Effective Date.

This Agreement will apply for an initial Agreement Period commencing on the Effective Date and upon written agreement of the parties, may continue for an additional twelve-month Agreement Period thereafter, unless and until this Agreement is terminated.

Section 8.2 Services End. Our services under this Agreement stop on the date this Agreement terminates, regardless of the date that claims are incurred. However, We may agree to continue providing certain services beyond the termination date, as provided in Exhibit A - Services.

Section 9 – Termination

Section 9.1 Termination Events. This Agreement will terminate under the following circumstances: (i) The Plan terminates, (ii) Both parties agree in writing to terminate the Agreement, (iii) After the initial Agreement Period, either party gives the other party at least sixty (60) days prior written notice, (iv) We give You notice of termination because You did not pay the fees or other amounts You owed Us when due under the terms of this Agreement, (v) You fail to provide the required funds for payment of benefits under the terms of this Agreement, (vi) Either party is in material breach of this Agreement, other than by non-payment or late payment of fees owed by You or the funding of Plan benefits, and does not correct the breach within thirty (30) days after being notified in writing by the other party, (vii) Any state or other jurisdiction prohibits a party from administering the Plan under the terms of this Agreement, or imposes a penalty on the Plan or Us and such penalty is based on the administrative services specified in this Agreement. In this situation, the party may immediately discontinue the Agreement's application in such state or jurisdiction. Notice must be given to the other party when reasonably practical. The Agreement will continue to apply in all other states or jurisdictions, or (viii) As otherwise specified in this Agreement.

Section 9.2 Termination of Disease Management Programs. We can terminate the disease management services described in Exhibit A – Services in whole or in part at any time for any reason if such termination applies to all of Our similarly situated self-funded customers. After the initial twelve (12) months of disease management services under this Agreement, You may terminate the disease management services upon thirty (30) days prior written notice to Us. In the unlikely event You terminate within the first twelve (12) months after the effective date of these disease management services, You will be responsible for the disease management services fees reflected in Exhibit B - Services for the full twelve (12) month period.

We will provide reasonable transition services to Participants enrolled in a disease management program at the time of termination for a period not to exceed one hundred twenty (120) days following either party's notice of termination to the other, unless otherwise agreed to by the parties; provided however, We shall have no obligation to provide such transition services if termination is a result of Your material breach, Your failure to pay Us fees due, or Your failure to provide the funding required under Section 7 and services shall only be provided to those Participants currently enrolled in a disease management program prior to the termination date of the Agreement. All of the other terms of this Agreement will apply to these post-termination services.

Section 9.3 Funding After Termination. When this Agreement terminates, the funding method for Plan benefits will remain in place for a limited period as determined by the parties. At the end of this period, We will place stop payments, at Your expense, on all checks that remain uncashed.

Section 10 – Records, Information, Audits

Section 10.1 Records. We will keep records relating to the services We provide under this Agreement for as long as We are required to do so by law.

Section 10.2 Access to Information. If You need information in Our possession for purposes other than an audit, but in order to administer the Plan, We will provide You access to that information, if it is legally permissible, the information relates to Our services under this Agreement, and You give Us reasonable advance notice and an explanation of the need for such information.

You represent that You have reasonable procedures in place for handling PHI, as required by law. You will only use or disclose PHI to administer the Plan, to perform under this Agreement, or as otherwise permitted under this Agreement and applicable law.

We will provide information only while this Agreement is in effect and for a period of six (6) months after the Agreement terminates, unless You demonstrate that the information is required by law or for Plan administration purposes.

We also will provide reasonable access to information to an entity providing Plan administrative services to You, such as a consultant or vendor, if You request it. Before We provide PHI to that entity, the parties must sign a mutually agreed-upon confidentiality agreement, and the parties must agree as to what information is minimally necessary to accomplish the Plan administrative service.

Section 10.3 Audits. During the term of the Agreement, and at any time within twelve (12) months following its termination, You or a mutually agreeable entity may audit Us once each calendar year to determine whether We are fulfilling the terms of this Agreement. Prior to the commencement of this audit, We must receive a signed, mutually agreeable confidentiality agreement. Only one (1) audit may be conducted during the twelve (12) months following termination of the Agreement.

You must advise Us in writing of Your intent to audit. The place, time, type, duration, and frequency of all audits must be reasonable and agreed to by Us. All audits will be limited to information relating to the calendar year in which the audit is conducted, and/or the immediately preceding calendar year. With respect to Our transaction processing services, the audit scope and methodology will be consistent with generally acceptable auditing standards and techniques ("Scope"). Audits falling outside of generally acceptable auditing standards or techniques will be mutually agreed upon. If parties can not mutually agree upon the Scope of the requested audit, Section 15 – Dispute Resolution will apply.

You will pay any expenses that You incur in connection with the audit. In addition, You will be charged a reasonable per claim charge and a $1,000 charge per day for audits outside of the following parameters: (1) more

than one audit per calendar year; (2) any on-site audit visit that is not completed within five (5) business days; (3) sample sizes exceeding the Scope specified above. Our standard Scope sample size is up to 400 claims; or (4) any audit initiated after this Agreement has terminated. The additional fees cover the additional resources, facility fees, and other incremental costs associated with an audit that exceeds the Scope. In addition to Your expenses and any applicable fees, You will also pay any extraordinary expenses We incur in connection with the audit. Examples of extraordinary expenses include unusual personnel expenses (including overtime), copying fees, overnight mail fees, bulk shipments etc. We will notify You in advance if You or Your auditor request audit services which would result in any of the above additional fees being charged to You prior to the services being rendered.

For any audit initiated more than twelve (12) months after this Agreement is terminated or if more than one (1) audit is initiated after this Agreement is terminated, You will pay all expenses incurred by Us.

You will provide Us with a copy of any audit reports within thirty (30) days after You receive the audit report(s) from the auditor.

Section 10.4 Proprietary Business Information. Each party will limit the use of the other's Proprietary Business Information to only the information required to administer the Plan, to perform under this Agreement, or as otherwise permitted under this Agreement. Except as required by the Wisconsin Public Records Law, neither party will disclose the other's Proprietary Business Information to any person or entity other than to the disclosing party's employees, subcontractors, or authorized agents needing access to such information to administer the Plan, to perform under this Agreement, or as otherwise permitted under this Agreement. This provision shall survive the termination of this Agreement.

Section 10.5 Service Auditor Reports. We may make Our Type II service auditor report ("Report") available to Our self-funded customers each year for Your review in connection with Plan administrative purposes only. The Report will be issued under the guidance of Statement on Standards for Attestation Engagements #16 (SSAE16). Should new guidelines covering service auditor reports be issued, We may make the equivalent of, or any successor to, the SSAE16 Type II Report available to Our self-funded customers. Except as required by the Wisconsin Public Records Law, the Report is Our Proprietary Business Information and shall not be shared with any third parties without Our prior written approval; provided, however, that You can share the Report with: (i) Your independent public accounting firm; and/or (ii) Your consultants, provided that such consultants are not in any way a competitor of ours and that You inform Your consultants that the report was not prepared for their use. To the extent that You do provide the Report to Your independent public accounting firm or a consultant as permitted herein, You shall require that they retain the Report as confidential and that they not disclose such Report to any other persons or entities, except as required by the Wisconsin Public Records Law.

Section 10.6 PHI. The parties' obligations with respect to the use and disclosure of PHI are outlined in the Business Associate Addendum attached to this Agreement as Exhibit C.

Section 11 – System Access

Section 11.1 System Access. We grant You the nonexclusive, nontransferable right to access and use the functionalities contained within the Systems, under the terms specified in this Agreement. You agree that all rights, title, and interest in the Systems and all rights in patents, copyrights, trademarks, and trade secrets encompassed in the Systems will remain Ours. To obtain access to the Systems, You will obtain, and be responsible for maintaining, at no expense to Us, the hardware, software, and Internet browser requirements We provide to You, including any amendments thereto. You will be responsible for obtaining an Internet Service Provider or other access to the Internet. You will not (i) access Systems or use, copy, reproduce, modify, or excerpt any Systems documentation provided by Us in order to access or utilize Systems, for purposes other than as expressly permitted under this Agreement or (ii) share, transfer or lease Your right to access and use Systems, to any other person or entity which is not a party to this Agreement. You may designate any third party to access Systems on Your behalf, provided the third party agrees to these terms and conditions of Systems access and You assume joint responsibility for such access.

Section 11.2 Security Procedures. You will use commercially reasonable physical and software-based measures, and comply with Our security procedures, as may be amended from time to time, to protect the System, its functionalities, and data accessed through Systems from any unauthorized access or damage (including damage

caused by computer viruses). You will notify Us immediately if any breach of the security procedures, such as unauthorized use, is suspected.

Section 11.3 System Access Termination. We reserve the right to terminate Your System access (i) on the date You fail to accept the hardware, software and browser requirements provided by Us, including any amendments thereto or (ii) immediately on the date We reasonably determine that You have (i) breached, or allowed a breach of, any applicable provision of this Section 11 or (ii) materially breached or allowed a material breach of, any other applicable provision of this Agreement. Your System Access will also terminate upon termination of this Agreement, provided however that if run-out is provided in accordance with Exhibit A - Services, You may continue to access applicable functionalities within the Systems during the run-out period. Upon any of the termination events described in this Agreement, You agree to cease all use of Systems, and We will deactivate Your identification numbers, passwords, and access to the System.

Section 12 – Taxes And Assessments

Section 12.1 Payment of Taxes and Expenses. In the event that any Taxes are assessed against Us as a claim administrator in connection with Our services under this Agreement, including all topics identified in Section 12.3 You will reimburse Us through the Bank Account for Your proportionate share of such Taxes (but not Taxes on Our net income). We have the authority and discretion to reasonably determine whether any such Tax should be paid or disputed. You will also reimburse Us for a proportionate share of any cost or expense reasonably incurred by Us in disputing such Tax, including costs and reasonable attorneys' fees and any interest, fines, or penalties relating to such Tax, unless caused by Our unreasonable delay or unreasonable determination to dispute such Tax.

Section 12.2 Tax Reporting. In the event that the reimbursement of any benefits to Participants in connection with this Agreement is subject to Plan or employer based tax reporting requirements, You agree to comply with these requirements.

Section 12.3 State and Federal Surcharges, Fees and Assessments. The Plan will remain responsible for state or Federal surcharges, assessments, or similar Taxes imposed by governmental entities or agencies on the Plan, including those imposed pursuant to the Patient Protection and Affordable Care Act, Pub. L. 111-148.

Section 13 – Indemnification

Section 13.1 You Indemnify Us. You will indemnify Us and hold Us harmless against any and all losses, liabilities, penalties, fines, costs, damages, and expenses, We incur, including reasonable attorneys' fees, which arise out of (i) Your or Your vendors', subcontractors' or authorized agents' negligence or willful misconduct in the performance of Your or Your vendors', subcontractors' or authorized agents' obligations under this Agreement or any other agreements entered into by You with such third parties on Your behalf (ii) Your material breach of this Agreement,, all as determined by a court or other tribunal having jurisdiction of the matter (iv) third party claims for benefits brought against Us as the claims administrator (e.g. a claim raised by the federal government based on the federal Medicare Secondary Payor laws); and (v) any breach by You of your obligations under the Business Associate Agreement attached hereto.

This provision shall survive the termination of this Agreement.

Section 13.2 We Indemnify You. We will indemnify You and hold You harmless against any and all losses, liabilities, penalties, fines, costs, damages, and expenses, that You incur, including reasonable attorneys' fees, which arise out of (i) Our or Our vendors' negligence or willful misconduct in the performance of Our or Our vendors', subcontractors' or authorized agents' obligations under this Agreement, (ii) Our material breach of this Agreement, all as determined by a court or other tribunal having jurisdiction of the matter, and (iii)any breach by Us of Our obligations under the Business Associate Agreement attached hereto. Notwithstanding the foregoing, Our obligation to indemnify You for Overpayments shall be governed exclusively by Section 4.3 (Claim Recovery Services) of this Agreement.

Notwithstanding the foregoing, You will remain responsible for payment of benefits and Our indemnification will not extend to indemnification of You or the Plan against any claims, liabilities, damages, judgments or expenses that constitute payment of Plan benefits. This provision shall survive the termination of this Agreement.

Section 14 – Plan Benefits Litigation

Section 14.1 Litigation Against Us. We will select and retain defense counsel to represent Our and the Plan's interest if a demand is asserted, or litigation or administrative proceedings are begun by a Participant or health care provider against Us, or against the Plan and Us jointly, to recover Plan benefits, related to Our duties under this Agreement ("Plan Benefits Litigation"). In actions against both You and Us, and provided no conflict of interest arises between the parties, We will agree to joint defense counsel. All reasonable legal fees and costs We incur will be paid by You (except as provided in Section 13.2) if We give You reasonable advance notice of Our intent to charge You for such fees and costs, and We consult with You in a manner consistent with Our fiduciary obligations on Our litigation strategy. Provided no conflict of interest arises, both parties will cooperate fully with each other in the defense of Plan Benefits Litigation.

In all events, You are responsible for the full amount of any Plan benefits paid as a result of such litigation. This provision shall survive the termination of this Agreement.

Section 14.2 Litigation Against You. If litigation or administrative proceedings are begun against You and/or the Plan, You will select and retain counsel, and You will be responsible for all legal fees and costs in connection with such litigation, except as provided in Section 13.2. We will cooperate fully in the defense of litigation arising out of matters relating to this Agreement. This provision shall survive the termination of this Agreement.

Section 15 – Dispute Resolution

Except for those matters subject to emergent or injunctive relief, in the event that any dispute relating to this Agreement arises between the parties, either party may, by written notice, demand a meeting regarding the dispute, to be attended by executive officers of each party, who will attempt in good faith to resolve the dispute. If the dispute cannot be resolved through executive negotiations within thirty (30) business days after the date of the initial notice, each party will retain all rights to bring an action regarding such matter in accordance with law.

Section 16 – Miscellaneous

Section 16.1 Subcontractors. We can use Our affiliates or subcontractors to perform Our services under this Agreement. We will be responsible for those services to the same extent that We would have been had We performed those services without the use of an affiliate or subcontractor.

Section 16.2 Assignment. Except as provided in this paragraph, neither party can assign this Agreement or any rights or obligations under this Agreement to anyone without the other party's written consent. That consent will not be unreasonably withheld. Nevertheless, We can assign this Agreement, including all of Our rights and obligations to Our affiliates, to an entity controlling, controlled by, or under common control with Us, or a purchaser of all or substantially all of Our assets, subject to notice to You of the assignment.

Section 16.3 Governing Law. This Agreement is governed by laws of the State of Connecticut. This provision shall survive the termination of this Agreement.

Section 16.4 Entire Agreement. This Agreement, with its exhibits, constitutes the entire agreement between the parties governing the subject matter of this Agreement. This Agreement replaces any prior written or oral communications or agreements between the parties relating to the subject matter of this Agreement. The headings and titles within this Agreement are for convenience only and are not part of the Agreement.

Section 16.5 Amendment. Except as may otherwise be specified in this Agreement, the Agreement may be amended only by both parties agreeing to the amendment in writing, executed by a duly authorized person of each party.

Section 16.6 Waiver/Estoppel. Nothing in this Agreement is considered to be waived by any party, unless the party claiming the waiver receives the waiver in writing. No breach of the Agreement is considered to be waived unless the non-breaching party waives it in writing. A waiver of one provision does not constitute a waiver of any other. A failure of either party to enforce at any time any of the provisions of this Agreement, or to exercise any option which is herein provided in this Agreement, will in no way be construed to be a waiver of such provision of this Agreement.

Section 16.7 Notices. Any notices, demands, or other communications required under this Agreement will be in writing and may be provided via electronic means or by United States Postal Service by certified or registered mail, return receipt requested, postage prepaid, or delivered by a service that provides written receipt of delivery.

Section 16.8 Use of Name. The parties agree not to use each other's name, logo, service marks, trademarks or other identifying information without the written permission of the other; provided, however, You grant Us permission to use Your name, logo, service marks, trademarks or other identifying information to the extent necessary for Us to carry out Our obligations under this Agreement (e.g. on SPDs and ID cards).

Section 16.9 Producer Compensation. We pay brokers and agents (referred to collectively as "producers") compensation for their services in connection with the sale of Our third party administrative services, in compliance with applicable law. We pay "base commissions" based on factors such as the type of services sold, total amount of administrative fees, group size, and number of employees. These commissions are reflected in the administrative service rate. In addition, We may pay bonuses pursuant to bonus programs established from time to time which are designed to encourage the provision of information regarding new products and provide incentives to achieve production targets, persistency levels, growth goals and other objectives. Bonuses are not reflected in the administrative service fees but are paid from Our general administrative expenses. In general, Our total bonuses are less than 10% of total producer compensation paid but the percentage may be higher in certain situations. It is Our policy not to pay commissions to producers with respect to a product for which the customer is also paying the producer a commission or other fee. Please note We also make payments from time to time to producers for services other than those relating to the sale of services (for example, compensation for services as a general agent or as a consultant). We have taken steps to ensure that producers properly disclose their compensation arrangements to their customers, but We cannot guarantee the producer's compliance. For general information on Our producer payment arrangements, including the approximate percentage of total compensation that total bonus payments comprise, please go to http://www.uhc.com and search for "Producer Compensation" or click "legal" at the bottom of the screen and select the tab for "Overview of Producer Compensation" For specific information about the compensation payable with respect to Your particular situation, please contact Your producer.

EXHIBIT A – SERVICES

The following are the administrative services We have agreed to provide to You. You may request that We provide services in addition to those set forth in this Agreement. If We agree to provide them, those services will be governed by the terms of this Agreement and any amendments to this Agreement. You will pay an additional fee, determined by Us, for these additional services.

The services described in this exhibit will be made available to Your eligible Participants consistent with the Summary Plan Description under which the Participant is covered.

A. ACCOUNT MANAGEMENT SERVICES

Service	Comments
Implementation and maintenance of account.	
Enrollment meetings and support for locations that meet Our criteria.	Minimum six weeks notice of meeting.
Standard initial enrollment kit.	
Bulk mailing of initial enrollment kits to You based on Our criteria.	
Ongoing account management including: • Designated account resources. • Ongoing management and review of benefits and data.	
Standard accounting structure based on Our criteria: • Suffixes to accommodate separate claims reporting for different benefit plans. • Claim accounts to accommodate separate claims data for different locations and groups.	Maximum of 25 distinct suffix/account splits.
Maintenance of up to 3 separate benefit plans.	Maintenance of additional benefit plans may incur additional cost.
Electronic Bill Presentment and Payment (EBPP), which provides capabilities to: • View invoices online. • Sort and search enrollee information. • Download billing information. • Remit payment online.	
Online administration services accessed through our Employer eServices Web site including online eligibility maintenance and claim status inquiry.	Customer reporting is included to the extent indicated in Section D. eServices Customer Reporting Services.
Issuance of HIPAA Certificates of Creditable Coverage	
Summary Plan Description (SPD) Assistance. We will prepare a customized draft of an SPD, either for each plan or multiple plans, as mutually agreed upon with one additional draft, in response to Your comments, and a final draft SPD. "Plan", for purposes of this paragraph, means each individual plan design administered by Us. The SPD will be in English. We will print each SPD in Our standard size and with Our standard cover in a quantity equal to 110% of the number of Employees participating in the plan, and ship to a single location and/or post online.	If the SPD is not finalized sufficiently in advance of the Effective Date of Our services, We will either (i) utilize the summary of Plan benefits and exclusions that We have created based on Our understanding of Your Plan design and which You have reviewed and approved or (ii) create, at Our discretion, an operational SPD which will be based upon the summary of Plan benefits that You have reviewed and approved. We will administer claims and otherwise provide Our services in accordance with this summary of Plan benefits and exclusions or operational SPD, as the case may be, and it will govern and remain in full force and effect until a final SPD is provided to Us. If We are providing Drafts only or if You are producing the Final SPDs, Printing of SPDs will be at an additional cost.

B. ELIGIBILITY MANAGEMENT SERVICES

Service	Comments
Standard ID Card production and issuance.	We have assumed the addition of Your logo in black and white, in an acceptable format to the ID card.

Service	Comments
Alternative member ID numbers generated by Us (not based on SSN).	
Electronic Eligibility Processing	Deviations from standards may incur additional cost.
Electronic Enrollment processing: • Each submission to be a single consolidated file. Separate eligibility submissions for COBRA. • Initial load of primary physician data (when applicable) to be supplied electronically with ongoing changes submitted via Employer eServices℠ Web site.	Deviations from standards may incur additional cost.
Submission format: • UnitedHealth Group® Standard 3005 Format; HIPAA 834 Compliant Format; or HR-XML format. • Single data source required. **Submission frequency:** • Changes file daily in combination with a full population file on a monthly schedule. **Or** • Changes file weekly or bi-weekly in combination with a full population file on a monthly or quarterly schedule. **Or** • Full file weekly or bi-weekly. **Transmission method will be FTP**	Deviations from standards may incur additional cost.

C. Underwriting and Financial Services

Service	Comments
Overall program accounting (year-end reconciliation).	
Claim projections.	
Annual Projection of cost impact for benefit design changes.	
Annual Projection of conventional premium equivalent rates.	
Annual Reserve estimates.	
Annual government filings of 1099 reports to the IRS regarding payments made to physicians and other health care professionals.	
Provide required data necessary to enable You to file Form 5500.	

D. eServices® Customer Reporting Services

Service	Comments
An online customer reporting system including up to five customer IDs.	Additional annual charge applies for each ID in excess of five.
Reporting Access Levels: • Standard – Basic report package of "subscription" financial and utilization information produced on a pre-scheduled basis. • Select – In addition to the Standard features, interactive access to eCR tools allowing the user to customize report parameters to facilitate detailed views of the data. Includes a broad array of membership and utilization reports. • Expanded – In addition to the Select features, allows the user greater ad-hoc and customizable capabilities to obtain detailed performance information.	Your access level is based upon your election. Expanded Level reports are available to customers with Select Level reporting on an ad hoc basis for an additional charge per report.
Customized or ad hoc reports	Fees are determined on a report-specific basis
Executive Performance Report	This report is issued at least once annually.
We reserve the right, from time to time, to change the content, format and/or type of Our reports.	

E. Claims Administration Services

Service	Comments
Claims for Plan benefits must be submitted in a form that is satisfactory to Us in order for Us to determine whether a benefit is payable under the Plan's provisions. You delegate to Us the discretion and authority to use Our claim procedures and standards for Plan benefit claim determination.	
Implementation of Your benefit plans.	
Claim history load from one prior carrier using our standard process.	Additional charges will apply for more than one prior carrier load.
Standard claims processing including: • Re-pricing and payment of claims. • Auto and manual adjudication using proprietary software. • Claim edit/review and cost containment program • Pending and subsequent claim review.	
Standard claim forms (when applicable).	Additional charges will apply for Non-standard, customized claim forms
Medical claim review of specific health care claims to promote coding accuracy, benefit interpretation, and apply reimbursement policy.	
Standard coordination of benefits for all claims with automated investigation once every 12 months.	
Production and distribution of monthly Health Statements.	
Processing of run-out claims (meaning claims incurred prior to the termination date) for six (6) months following termination.	The fee for run-out services, if applicable, will be determined at the time either party provides notice of termination. If the Agreement terminates because You fail to pay Us fees due, provide the funding, or We terminate for any other material breach, run-out will not apply.
We will retain **claim fiduciary responsibility** as described in Section 5.	

F. Member Services

Service	Comments
Toll-free access to a customer care unit using a dedicated number	
Employee access to a member website enabling Participants to: • Check claim status. • Check eligibility information. • Search for providers and online health information.	

G. Medicare Services

Service	Comments
Medicare crossover	
Medicare crossover initial enrollment solicitation	
Medicare Secondary Payer Reporting. We shall provide to applicable parties the applicable reports in a time and manner as required according to the Medicare Secondary Payer Mandatory Reporting Provisions ("Reporting Requirements") in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007. We shall not be responsible for any noncompliance penalties in connection with the Reporting Requirements that are related to Your failure to provide the required data.	You agree to provide to Us in a timely manner and in an agreed upon format any and all data that We require to comply with the Reporting Requirements.

H. Network Services

Service	Comments

Service	Comments
Network access, management and administrative activities	Standard on all network plans.
UnitedHealth Premium℠ Designation Program	Available in designated markets.
Chiropractic Network	
Chiropractic Clinical Support Program Includes Chiropractic Network and promotes evidence-based chiropractic care through sharing evidence-based protocols and guidelines with practitioners. A notification requirement for network chiropractors applies.	
Transplant Solutions (TS) Services • Transplant Network via Centers of Excellence (COE) • Transplant Access Program (TAP) Network	Standard on all managed plans.
Cancer Resource Services	
Congenital Heart Disease Resource Services	
Reproductive Resource Services	
Kidney Resource Services	
Reasonable and customary charge guidelines for out of network surgical, medical, lab and x-ray claims.	
Shared Savings Program Application of the Shared Savings Program provides additional savings on select non-Network facility and physician claims not eligible for standard network discounts. Program provides access to discounted charges made available to Us from health care providers who contract or will negotiate with, a third party to provide such discounted charges.	The services under this program provide access to provider discounts only and do not include credentialing of providers or other Network services. We are not responsible for the medical outcomes or the quality or competence of any provider or facility rendering services under the Shared Savings Program. Either party can terminate the Shared Savings Program at any time for any reason with written notice.
Facility Reasonable & Customary Charge Determination Program. This program provides for reduction of facility billed charges in accordance with appropriate guidelines.	We can terminate the program in whole or in part at any time for any reason

I. Care Management and Outreach Services

Service	Comments
Personal Health Support, an integrated personal health management program using a designated team of nurses and incorporating elements of care management core activities such as case management and support around specific treatment decisions. A pregnancy program, consumer engagement notification program including gaps in care messaging, and a predictive model specific to You are also included.	Coordination with external vendors is subject to an additional fee. Personal Health Support will be the care management model for the Active and Early Retiree Plans.
Care Coordination[SM], focuses on offering education, accelerating access to care and providing surveillance and monitoring of chronic conditions. Services include the review of Participants' diagnosis and proposed health care treatments with respect to whether or not the service is appropriate to treat the condition. The services are designed to facilitate Participant education, identify and prevent delays in treatments, and provide intervention with respect to Participants' health care needs that are highly likely to drive utilization and medical expenses of the Plan.	Care Coordination will be the care management model for the Retirees with Medicare Plan.
Medical policy functions, as guided by a medical director.	Standard on all managed plans.
Disease Management Programs	Coordination with external vendors is subject to an additional fee.
Alternate Care Proposals (ACP) which provide appropriate and cost effective health care services and supplies alternatives that would otherwise not be covered by the Plan.	You consent to our use and administration of the ACP program and delegate to Us the discretion and authority to develop and revise ACPs.
Predictive modeling, using data from a proprietary system, to identify individuals at risk and offer proactive programs to improve their health status.	Standard on all managed plans. Additional charges apply for integrating an outside vendor's pharmacy data.

J. United Behavioral Health — Mental Health and Substance Use Disorder Services

Service	Comments
United Behavioral Health (UBH) care management	
Inpatient psychiatric utilization review and case management, with UBH network access, including network maintenance.	

K. Employee Health Education and Medical Self-Care Program Services

Service	Comments
Care24[SM]- provides 24-hour access to registered nurses.	
HealthAtoZ – providing members with access to online Health and Wellness content/health assessments/health coaching, personal health records, and automated messaging.	

L. Consumer Activation

Service	Comments
Activation programs to engage Participants such as, monthly health statements member call services, and access to member portal with consumer messaging	

M. UnitedHealth Allies® Discount Program

Service	Comments
Core UnitedHealth Allies® Discount Program enabling plan participants to access pre-negotiated savings on certain out-of-pocket health care purchases. The discount value program is not a health insurance plan.	The Core UnitedHealth Allies® Discount Program can be made available to non-covered employees or employees participating in plans not administered by Us for an additional fee.

N. Managed Pharmacy - Carve Out

Service	Comments
Integration of external pharmacy vendor data into predictive model with a pharmacy benefit manager (PBM) with which we have an existing data sharing agreement.	Additional fee applies for data integration with PBMs that we do not have an existing data sharing agreement with.

O. Optional Claim Services

Service	Comments
Application of subrogation services.	
Abuse and Fraud Management Recovery Program.	The fee includes all work to identify recovery opportunities, research, conduct data analysis, investigate, negotiate settlements without the use of outside counsel, and draft legal documents. If outside counsel is retained for a group of payers seeking the recovery, a proportionate amount of the outside legal fees, equal to the payer's exposure in the case to the total exposure in the case, will be deducted from the gross recovery amount, after the fee has been deducted. You will be given the option to participate or decline participation in the settlement
Hospital Bill Audit Program.	
Credit Balance Recovery Program.	

EXHIBIT B – SERVICE FEES

This exhibit lists the service fees You must pay Us for Our services during the term of the Agreement. These fees apply for the period from January 1, 2012 through December 31, 2014. You acknowledge that the amounts paid for administrative services are reasonable.

Administrative Service Fees – Standard Medical Service Fees

The Standard Medical Service Fees described below, excluding optional and non-standard fees, are adjusted as set forth in the applicable performance standard(s).

The Standard Medical Fees listed below are based upon an estimated minimum of 10,000 enrolled Employees.

The Standard Medical Service Fees are the sum of the following per employee per month (PEPM) fees:

Plan Years	Active Plans	Early Retirees Plan	Retirees with Medicare Plan
2012	$40.18	$40.18	$36.41
2013	$43.39	$43.39	$39.32
2014	$45.56	$45.56	$41.29

Average Contract Size

Your Average Contract Size is 2.24.

Administrative Service Fees - Optional and Non-Standard Fees

Service Description	Fee
Fraud and Abuse Management	Fee equal to thirty-two and five-tenths percent (32.5%) of the gross recovery amount
Hospital Audit Program Services	Fee not to exceed thirty-one percent (31%) of the gross recovery amount
Credit Balance Recovery Services	Fee not to exceed ten percent (10%) of the gross recovery amount.
Third Party Liability Recovery (Subrogation) Services	Fee equal to thirty-three and one-third percent (33.3%) of the gross recovery amount
Facility R&C Charge Determination Program -- We will bill You for the amounts You owe Us. The bill will reflect reductions obtained during the preceding month and adjustments, if any, from previous months	Fee for Our services, equal to thirty percent (30%) of the amount of reductions obtained through Our efforts
Shared Savings Program	You will pay a fee equal to thirty-five percent (35%) of the "Savings Obtained" as a result of the Shared Savings Program. "Savings Obtained" means the amount that would have been payable to a health care provider, including amounts payable by both the Participant and the Plan, if no discount were available, minus the amount that is payable to the health care provider, again, including amounts payable by both the Participant and the Plan, after the discount is taken.
External Reviews	For each subsequent external review beyond 20 total reviews per year, a fee of $500 will apply per review.

EXHIBIT C – BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum (BAA) is made to the Administrative Services Agreement (Agreement) between United HealthCare Services, Inc. on behalf of itself and its Affiliates (Business Associate) and City of Milwaukee's group health plan (Covered Entity) (each a "Party" and collectively the "Parties") and is effective on January 1, 2012 (Effective Date). This BAA replaces the terms of any business associate agreement between the Parties.

The Parties hereby agree as follows:

1. DEFINITIONS

1.1 Unless otherwise specified in this BAA, all capitalized terms used in this BAA not otherwise defined in this BAA or otherwise in the Agreement have the meanings established for purposes of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (collectively, "HIPAA") and ARRA, as each is amended from time to time. Capitalized terms used in this BAA that are not otherwise defined in this BAA and that are defined in the Agreement shall have the respective meanings assigned to them in the Agreement. To the extent a term is defined in both the Agreement and in this BAA, HIPAA or ARRA, the definition in this BAA, HIPAA or ARRA shall govern.

1.2 "Affiliate", for purposes of this BAA, shall mean any entity that is a subsidiary of UnitedHealth Group.

1.3 "ARRA" shall mean the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009, 42 U.S.C. §§17921-17954, and any and all references in this BAA to sections of ARRA shall be deemed to include all associated existing and future implementing regulations, when and as each is effective.

1.4 "Breach" shall mean the acquisition, access, use or disclosure of PHI in a manner not permitted by the Privacy Rule that compromises the security or privacy of the PHI as defined, and subject to the exceptions set forth, in 45 C.F.R. 164.402.

1.5 "Compliance Date" shall mean, in each case, the date by which compliance is required under the referenced provision of ARRA and/or its implementing regulations, as applicable; provided that, in any case for which that date occurs prior to the Effective Date of this BAA, the Compliance Date shall mean the Effective Date.

1.6 "Electronic Protected Health Information" (ePHI) shall mean PHI as defined in Section 1.7 that is transmitted or maintained in electronic media.

1.7 "PHI" shall mean Protected Health Information, as defined in 45 C.F.R. 160.103, and is limited to the Protected Health Information received from, or received or created on behalf of, Covered Entity by Business Associate pursuant to the performance of the Services.

1.8 "Privacy Rule" shall mean the federal privacy regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, codified at 45 CFR Parts 160 and 164 (Subparts A & E).

1.9 "Security Rule" shall mean the federal security regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, codified at 45 CFR Parts 160 and 164 (Subparts A & C).

1.10 "Services" shall mean, to the extent and only to the extent they involve the creation, use or disclosure of PHI, the services provided by Business Associate to Covered Entity under the Agreement, including those set forth in this BAA in Sections 4.3 through 4.7, as amended by written agreement of the Parties from time to time.

2. RESPONSIBILITIES OF BUSINESS ASSOCIATE

With regard to its use and/or disclosure of PHI, Business Associate agrees to:

2.1 use and/or disclose PHI only as necessary to provide the Services, as permitted or required by this BAA and/or the Agreement, and in compliance with each applicable requirement of 45 C.F.R. 164.504(e) or as otherwise Required by Law.

2.2 implement and use appropriate administrative, physical and technical safeguards to (i) prevent use or disclosure of PHI other than as permitted or required by this BAA; (ii) reasonably and appropriately protect the confidentiality, integrity, and availability of the ePHI that it creates, receives, maintains, or transmits on behalf of the Covered Entity; and (iii) as of the Compliance Date of 42 U.S.C. § 17931, comply with the Security Rule requirements set forth in 45 C.F.R. 164.308, 164.310, 164.312, and 164.316.

2.3 without unreasonable delay, report to Covered Entity: (i) any use or disclosure of PHI, of which it becomes aware, that is not provided for by this BAA; and/or (ii) any Security Incident of which Business Associate becomes aware in accordance with 45 C.F.R. 164.314(a)(2)(C).

2.4 with respect to any use or disclosure of Unsecured PHI not permitted by the Privacy Rule that is caused solely by Business Associate's failure to comply with one or more of its obligations under this BAA, Covered Entity hereby delegates to Business Associate the responsibility for determining when any such incident is a Breach and for providing all legally required notifications to Individuals, HHS and/or the media, on behalf of Covered Entity. Business Associate shall provide these notifications in accordance with the data breach notification requirements set forth in 42 U.S.C. §17932 and 45 C.F.R. Parts 160 & 164 subparts A, D & E as of their respective Compliance Dates, and shall pay for the reasonable and actual costs associated with such notifications. In the event of a Breach, without unreasonable delay, and in any event no later than sixty (60) calendar days after Discovery, Business Associate shall provide Covered Entity with written notification that includes a description of the Breach, a list of Individuals (unless Covered Entity is a plan sponsor ineligible to receive PHI) and a copy of the template notification letter to be sent to Individuals.

2.5 require all of its subcontractors and agents that create, receive, maintain, or transmit PHI to agree, in writing, to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate; including but not limited to the extent that Business Associate provides ePHI to a subcontractor or agent, it shall require the subcontractor or agent to implement reasonable and appropriate safeguards to protect the ePHI consistent with the requirements of this BAA.

2.6 make available its internal practices, books, and records relating to the use and disclosure of PHI to the Secretary for purposes of determining Covered Entity's compliance with the Privacy Rule.

2.7 document, and within thirty (30) days after receiving a written request from Covered Entity or an Individual, make available directly to an Individual, an accounting of disclosures of PHI about the Individual, in accordance with 45 C.F.R. 164.528.

2.8 notwithstanding Section 2.7, in the event that Business Associate in connection with the Services uses or maintains an Electronic Health Record of PHI of or about an Individual, then Business Associate shall, when and as directed by Covered Entity or when requested by an Individual, make an accounting of disclosures of PHI directly to an Individual within thirty (30) days after receiving a written request, in accordance with the requirements for accounting for disclosures made through an Electronic Health Record in 42 U.S.C. § 17935(e) as of its Compliance Date.

2.9 provide access, within thirty (30) days after receiving a written request from Covered Entity or an Individual, to PHI in a Designated Record Set about an Individual, directly to an Individual, in accordance with the requirements of 45 C.F.R. 164.524.

2.10 notwithstanding Section 2.9, in the event that Business Associate in connection with the Services uses or maintains an Electronic Health Record of PHI of or about an Individual, then Business Associate shall provide an electronic copy of the PHI, within thirty (30) days after receiving a written request, directly to an Individual or a third party designated by the Individual, all in accordance with 42 U.S.C. § 17935(e) as of its Compliance Date.

2.11 to the extent that the PHI in Business Associate's possession constitutes a Designated Record Set, make available, within thirty (30) days after a written request by Covered Entity or an Individual, PHI for

amendment and incorporate any amendments to the PHI, as directed by Covered Entity or an Individual, all in accordance with 45 C.F.R. 164.526.

2.12 request, use and/or disclose only the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure; provided, that Business Associate shall comply with 42 U.S.C. § 17935(b) as of its Compliance Date.

2.13 accommodate reasonable requests by Individuals for confidential communications in accordance with 45 C.F.R. 164.522(b) of the Privacy Rule.

2.14 not directly or indirectly receive remuneration in exchange for any PHI as prohibited by 42 U.S.C. § 17935(d) as of its Compliance Date.

2.15 not make or cause to be made any communication about a product or service that is prohibited by 42 U.S.C. § 17936(a) as of its Compliance Date.

2.16 not make or cause to be made any written fundraising communication that is prohibited by 42 U.S.C. § 17936(b) as of its Compliance Date.

3. RESPONSIBILITIES OF COVERED ENTITY

In addition to any other obligations set forth in the Agreement, including in this BAA, Covered Entity:

3.1 represents that it has ensured, and has received certification from Plan Sponsor, that Plan Sponsor has taken the appropriate steps in accordance with 45 C.F.R. 164.504(f) and 45 C.F.R. 164.314(b) to enable Business Associate on behalf of Covered Entity to disclose PHI to Plan Sponsor, including but not limited to amending its Plan documents to incorporate, and agreeing to, the requirements set forth in 45 C.F.R. 164.504(f)(2) and 45 C.F.R. 164.314(b). Covered Entity shall ensure that only employees authorized under 45 C.F.R. 164.504(f) shall have access to the PHI disclosed by Business Associate to Plan Sponsor.

3.2 will not, without Business Associate's prior written consent, agree to an Individual's request for a restriction pursuant to 45 C.F.R. 164.522(a) or include any restriction in Covered Entity's notice of privacy practices under 45 C.F.R. 164.520, to the extent such restriction may adversely affect Business Associate's ability to use and/or disclose PHI as permitted or required under this BAA.

3.3 will provide, or direct its other business associates to provide, to Business Associate only the minimum PHI necessary to accomplish the Services.

3.4 shall be responsible for using, or directing its other business associates to use, administrative, physical and technical safeguards at all times to maintain and ensure the confidentiality, privacy and security of PHI transmitted to Business Associate pursuant to the Agreement, including this BAA, in accordance with the standards and requirements of HIPAA, until such PHI is received by Business Associate.

3.5 shall obtain any consent or authorization that may be required by applicable federal or state laws and regulations prior to furnishing, or directing any of its other business associates to furnish, the PHI to Business Associate.

4. OTHER PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or required by this BAA or the Agreement, Business Associate may:

4.1 make any and all permitted uses and disclosures of PHI necessary to provide the Services to Covered Entity.

4.2 use and disclose to subcontractors and agents the PHI in its possession for its proper management and administration or to carry out the legal responsibilities of Business Associate, provided that any third party to which Business Associates discloses PHI for those purposes provides written assurances in advance that: (i) the information will be held confidentially and used or further disclosed only as Required by Law; (ii) the information will be used only for the purpose for which it was disclosed to the third party; (iii) the

third party promptly will notify Business Associate of any instances of which it becomes aware in which the confidentiality of the information has been breached, and (iv) ensure that any agents or subcontractors to whom Business Associate provides PHI agree to the same restrictions and conditions that apply to Business Associate with respect to such information; .

4.3 De-identify any and all PHI obtained by Business Associate under this BAA, which De-identified information does not constitute PHI, is not subject to this BAA and may be used and disclosed on Business Associate's own behalf, all in accordance with the De-identification requirements of the Privacy Rule.

4.4 provide Data Aggregation services relating to the Health Care Operations of the Covered Entity, including through subcontractors and agents, in accordance with the Privacy Rule.

4.5 identify Research projects conducted by Business Associate, its Affiliates or third parties for which PHI may be relevant; obtain on behalf of Covered Entity documentation of individual authorizations or an Institutional Review Board or privacy board waiver that meets the requirements of 45 C.F.R. 164.512(i)(1) (each an "Authorization" or "Waiver") related to such projects; provide Covered Entity with copies of such Authorizations or Waivers, subject to confidentiality obligations owed to the sponsor of the study ("Required Documentation"); and disclose PHI for such Research provided that Business Associate does not receive Covered Entity's disapproval in writing within ten (10) days of Covered Entity's receipt of Required Documentation.

4.6 make PHI available for reviews preparatory to Research and obtain and maintain written representations in accord with 45 C.F.R. 164.512(i)(1)(ii) that the requested PHI is sought solely as necessary to prepare a Research protocol or for similar purposes preparatory to Research, that the PHI is necessary for the Research, and that no PHI will be removed from the location in which it is being held on behalf of the Covered Entity in the course of the review.

4.7 use the PHI to create a Limited Data Set ("LDS") in compliance with 45 C.F.R. 164.514(e).

4.8 use and disclose the LDS referenced in Section 4.7 solely for Research, Health Care Operations, or Public Health purposes provided that Business Associate shall: (i) not use or further disclose the information other than as permitted by this Section 4.8 or as otherwise Required by Law; (ii) use appropriate safeguards to prevent use or disclosure of the information other than as provided for by this Section 4.8; (iii) report to Covered Entity any use or disclosure of the information not provided for by this Section 4.8 of which Business Associate becomes aware; (iv) ensure that any agents or subcontractors to whom Business Associate provides the LDS agree to the same restrictions and conditions that apply to Business Associate with respect to such information; and (v) not identify the information or contact the individuals.

5. TERM, TERMINATION AND COOPERATION

5.1 Term. The Term of this BAA shall be effective as of the Effective Date, and shall terminate upon the final expiration or termination of the Agreement unless earlier terminated in accordance with Section 5.2 of this BAA.

5.2 Termination. If either Party knows of a pattern of activity or practice of the other Party that constitutes a material breach or violation of this BAA then the non-breaching Party shall provide written notice of the breach or violation to the other Party that specifies the nature of the breach or violation. The breaching Party must cure the breach or end the violation on or before sixty (60) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching Party within the specified timeframe, or in the event the breach is reasonably incapable of cure, then the non-breaching Party may do the following:

(1) if feasible, terminate this Agreement, including this BAA; or

(2) if termination of the Agreement is infeasible, report the issue to HHS.

5.3 Effect of Termination or Expiration. Within sixty (60) days after the termination or expiration of Agreement and/or this BAA, Business Associate shall return or destroy all PHI, if feasible to do so, including all PHI in possession of Business Associate's agents or subcontractors. If Business Associate

determines that return or destruction of the PHI is not feasible, Business Associate may retain the PHI subject to this Section 5.3. Under any circumstances, Business Associate shall extend any and all protections, limitations and restrictions contained in this BAA to Business Associate's use and/or disclosure of any PHI retained after the termination or expiration of this BAA, and shall limit any further uses and/or disclosures solely to the purposes that make return or destruction of the PHI infeasible.

5.4 Cooperation. Each Party shall cooperate in good faith in all respects with the other Party in connection with any request by a federal or state governmental authority for additional information and documents or any governmental investigation, complaint, action or other inquiry.

6. MISCELLANEOUS

6.1 Incorporation into Agreement. The parties hereby agree that this BAA is incorporated into and made a part of the Agreement. This BAA replaces any prior written or oral communications or agreements between the parties relating to the subject matter of this BAA.

6.2 Contradictory Terms; Construction of Terms. Any other provision of the Agreement that is directly contradictory to one or more terms of this BAA ("Contradictory Term") shall be superseded by the terms of this BAA to the extent and only to the extent of the contradiction, only for the purpose of Covered Entity's and Business Associate's compliance with HIPAA and ARRA, and only to the extent reasonably impossible to comply with both the Contradictory Term and the terms of this BAA. The terms of this BAA to the extent they are unclear shall be construed to allow for compliance by Covered Entity and Business Associate with HIPAA and ARRA.

6.3 No Third Party Beneficiaries. Nothing in this BAA shall confer upon any person other than the Parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

6.4 Survival. Sections 4.8, 5.3, 5.4, 6.2, 6.3 and 6.4 shall survive the termination for any reason or expiration of this BAA or the Agreement.

City of Milwaukee

Office of the City Clerk

200 E. Wells Street
Milwaukee, Wisconsin 53202
Certified Copy of Resolution

FILE NO: 110175

Title:
Substitute resolution authorizing the Department of Employee Relations to contract with a vendor for the City Basic Plan/Preferred Provider Organization health benefits for 2012-2014.

Body:
Whereas, The contract between the City and Anthem Blue Cross Blue Shield to administer the City's self-insured Basic Plan/Preferred Provided Organization will end on December 31, 2011; and

Whereas, The Department of Employee Relations, working with Willis of Wisconsin, has prepared a Request for Proposals (RFP) for bids to administer the City's Basic Plan/Preferred Provided Organization; and

Whereas, The Benefits Review Team recommends that the City should contract with UnitedHealthcare to administer its Basic Plan/Preferred Provider Organization health plan benefits plan as UnitedHealthcare's bid was the lowest of the 5 bids received; and

Whereas, The City is interested in sustaining good health benefits for all City employees and retirees at the most affordable costs to the City employees and retirees and the City; therefore, now, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee Relations is authorized, in conjunction with the City Attorney, to execute a contact for a 3-year period, January 1, 2012 through December 31, 2014 with UnitedHealthcare to administer the City Basic Plan/Preferred Provided Organization healthcare benefit plan; and, be it

Further Resolved, That the Department of Employee Relations is authorized to extend the contract for up to 2 years with Common Council approval.

I, Ronald D. Leonhardt, City Clerk, do hereby certify that the foregoing is a true and correct copy of a(n) Resolution Passed by the COMMON COUNCIL of the City of Milwaukee, Wisconsin on July 26, 2011.

Ronald D. Leonhardt

Ronald D. Leonhardt

January 10, 2012

Date Certified

City of Milwaukee

Office of the City Clerk

200 E. Wells Street
Milwaukee, Wisconsin 53202
Certified Copy of Resolution

FILE NO: 110176

Title:
Substitute resolution authorizing the Department of Employee Relations to contract with a vendor for City Health Maintenance Organization/ Exclusive Provider Organization health benefits for 2012-2014.

Body:
Whereas, The contract between the City and UnitedHealthcare to provide an insured Health Maintenance Organization (HMO) health benefits plan will end on December 31, 2011; and

Whereas, The Department of Employee Relations, working with Willis of Wisconsin, has prepared a Request for Proposals (RFP) seeking bids to provide City's HMO and to administer a possible self-insured Exclusive Provider Organization (EPO) plan; and

Whereas, The Benefits Review Team recommends that City should change from an insured HMO type health plan to a self-insured EPO type plan to better control costs in the future; and

Whereas, The Benefits Review Team recommends that the City should contract with UnitedHealthcare to administer the EPO plan and better control City costs; and

Whereas, The City is interested in sustaining good health benefits for all City employees and retirees at the most affordable costs to the City employees and retirees and the City; therefore, now, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee Relations is authorized to execute a contact, in conjunction with the City Attorney, for a 3-year period, January 1, 2012 through December 31, 2014 with UnitedHealthcare to administer an EPO style health plan; and, be it

Further Resolved, That the Department of Employee Relations is authorized to extend the contract for up to 2 years with Common Council approval.

I, Ronald D. Leonhardt, City Clerk, do hereby certify that the foregoing is a true and correct copy of a(n) Resolution Passed by the COMMON COUNCIL of the City of Milwaukee, Wisconsin on July 26, 2011.

Ronald D. Leonhardt

Ronald D. Leonhardt

January 10, 2012

Date Certified