

Sales Representative: Robin MacDonald
Broker: Aon Hewitt
TPA: Florida Blue

Effective Date: 01/01/2018
Through Date: 12/31/2018

Provider Network(s): Florida Blue
Utilization Review Vendor(s): Florida Blue

Specific: (Check one)	Lives	<input type="checkbox"/> Option 1	<input type="checkbox"/> Option 2	<input type="checkbox"/> Option 3
Specific Deductible (per Covered Individual)		\$500,000	\$525,000	\$550,000
Policy Year Maximum Specific Benefit		Unlimited	Unlimited	Unlimited
Lifetime Maximum Specific Benefit		Unlimited	Unlimited	Unlimited
Covered Benefits		Med, Rx Card	Med, Rx Card	Med, Rx Card
Specific Premium				
Single Rate	4,363	\$10.88	\$9.60	\$8.67
Family Rate	982	\$30.83	\$27.41	\$25.10
Total Lives	5,345			
Estimated Contract Specific Premium		\$932,934	\$825,617	\$749,705
Contract Basis		24/12	24/12	24/12
Commission		20.00%	20.00%	20.00%

Note: This proposal is not complete unless accompanied by the proposal notes and the basis of offer noted on the following pages.

Individual Special Requirements:

PROPOSAL NOTES

- The rates in this proposal are firm. Please provide a signed proposal, binder check and signed application.
- Large claim data must be submitted for any claims that are at or have the likelihood to exceed 50% of the group specific deductible. Large claim data must include: age, sex, diagnosis, prognosis, treatment plan, case management notes (if applicable), Pre-Cert and paid/pending claims.
- Human Organ Transplant benefits are payable in accordance with the underlying plan and are subject to the proposed Lifetime Maximum Specific Benefit offered within this proposal.
- The Specific rates are guaranteed not to increase by more than 50% at the next renewal. The second year rate can be adjusted if changes result in the following: underlying plan document, HMIG's stop loss contract provisions, PPO Network or TPA.
- Underwriting assumptions in this proposal are superseded by the HMIG national agreement with AON, subject to review and approval of the Employer's SPD

PROPOSAL ACCEPTANCE

Leave of Absence (LOA) Policy for eligible employees is: _____ Days or _____ Weeks or _____ Other and it is to be applied once per plan year per member and only after FMLA allowance is exhausted. Leave Of Absence allowance need not be used in consecutive days, but total time not actively at work during the plan year as a whole must not exceed the above outlined allowance plus the 90 day FMLA allowance.

In the absence of Leave of Absence language in the group plan document, the above will be considered as the LOA policy as it relates to Stop Loss Eligibility and continuation of coverage only. Any subsequent changes must be approved by Florida Blue at least 30 days in advance of the effective date of the change. Failure to notify Florida Blue of your company's policy changes for Leave of Absence may result in a possible Stop Loss claim denial. Upon exhaustion of LOA benefits as described above, to continue Stop Loss eligibility members must be offered COBRA as outlined in the "Continuation of Coverage Under Cobra" section in your Group Benefit Book. All other eligibility requirements beyond the LOA allowance described here are outlined in the Group Benefit Book and apply to the Stop Loss in their entirety.

Please acknowledge acceptance of the terms in this proposal by signing and returning by 11/03/2017 (no signed proposal will be accepted after the effective date). Please also indicate which option is chosen by checking the appropriate box on the previous page. Failure to remit the signed agreement within the same period will result in updated large claim disclosure (and claims) being required for our review.

Signature: _____ Title: _____

Accepted on the _____ day of _____, 20_____

initials: _____ date: _____

BASIS OF OFFER

Assumptions

- This proposal is subject to revision if there is a change in effective or renewal dates, or a change in the plan of benefits.
- This proposal is based on the utilization of the Provider Network(s) and the Utilization Review Vendor(s) listed on this proposal.
- This proposal assumes a minimum participation level of 75% applies for all eligible enrollees under a contributory plan, and 100% under a non-contributory plan.
- This proposal assumes the plan of benefits includes a pre-certification, utilization review and large case management program.
- This proposal is based on a description of the employee benefit plan(s) provided and approved by HMIG, employee and dependent census data, submission of any requested claim information, plus any other information relevant to the underwriting risk. If any of the information was incorrect or changes the risk involved, the rates will be modified, and the specific claims will be adjusted accordingly.
- Surcharges (including the bad debt and charity surcharge portion of the New York Reform Act applicable to services are rendered in New York State), pool charges, and/or covered lives assessments may be covered under the stop loss policy if such charges are considered a claim cost. HM is not responsible for the filing, and/or payment of any assessment for which HM is not directly liable including but not limited to the New Hampshire Vaccine Assessment as modified by NH HB 664.
- All standard Policy provisions apply. The laws of the state where the policy is issued will apply. Certain exclusions and limitations may apply.
- Retirees are included in the stop loss coverage.
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- This proposal will expire on the proposed effective date.
- Unless otherwise limited or excluded by the stop loss policy or under the Individual Special Requirements, eligible claim expenses under the stop loss policy will follow the covered underlying plan, up to the proposed Specific Benefit Maximum.
- The Agent is properly licensed and appointed by HMIG.
- The initial rates are guaranteed for the proposed policy period unless otherwise noted.
- There are not more than 15% COBRA participants.

Qualifications

- Any stop loss insurance requested and requested effective date of that coverage must be approved by us under our current rules and practices.
- Our approval is subject to receipt of Disclosure, Claim Information and any other information requested in connection with this proposal - including but not limited to a completed Disclosure Form, Application, first month's premium check, signed proposal, final census, and any other required information as stated under the Assumptions or Individual Special Requirements. Such information must be received prior to the proposed effective date. Information contained on the Disclosure Form should be current up to the date of signature, and be completed in its entirety. Failure to do so will result in approval being denied or delayed until a later effective date.
- The premium rates are subject to change should the number of employees change by 10% or more, either in total and/or by single/family mix.
- A signed and dated Plan Document is required within 30 days of the effective date. If the descriptions of the benefits or plan provisions differ from what was initially utilized to underwrite the risk, the premium rates may be subject to re-rating, retro-active to the effective date.
- Quote assumes the Plan Document will include traditional industry provisions and definitions including, but not limited to the following: eligibility, HIPAA, termination provisions, extension for leave of absence or disability, FMLA, subrogation, transplants, COB, exclusions for job related injuries, experimental and cosmetic treatment, usual and customary charges, war, not medically necessary, traveling outside of the U.S. solely for the purpose of receiving medical care. In the event that a Plan Document is not available within 30 days from the proposed effective date, we reserve the right to issue the Policy assuming standard exclusions will apply.

Coverage is underwritten by Florida Blue, Jacksonville, FL and is administered by HM Life Insurance Company, Pittsburgh, PA. HM Life Insurance Company is an independent company providing only administrative services.

- HIPAA Privacy rules permit the release of Protected Health Information (PHI) for the purpose of evaluating and accepting risk associated with the Plan Sponsor as part of "Health care operations". HMIG will use this information solely for the purpose of evaluating and accepting the risk and will not disclose any PHI collected except to perform this risk evaluation.
- The rates in this proposal are based on the disclosure of all individuals considered a special enrollee due to having previously satisfied the plan's lifetime maximum. Written acceptance by HM must be acknowledged before terms of coverage for such individuals are included under HM's stop loss policy.
- Any stop loss policy issued by us may be rescinded or re-underwritten if any information requested in connection with this proposal was intentionally concealed or misrepresented by or on behalf of the Applicant and/or the Applicant's Agent, or if the Applicant and/or the Applicant's Agent commits fraud.
- As used above: An "Agent" is the Applicant's representative, including but not limited to, the agent, producer or broker of record, or Claims Administrator. The "Applicant" is the entity, or that entity's authorized representative, that has contracted with us to provide stop loss coverage. A "Claims Administrator" is a third party administrator (TPA) designated by the Applicant and approved by us. "Claim Information" consists of Complete Details of the data requested by us in connection with this proposal following a Diligent Review; such information includes but is not limited to Known or potential catastrophic claims, large claims and/or shock losses. "Complete Details" includes the name, social security number (or unique identifier), date of birth, diagnosis, prognosis (unless prognosis cannot be obtained due to reasons beyond your or your Claims Administrator's control) of the plan's participants and the name of the provider providing treatment to any such participant covered by or eligible for coverage. A "Diligent Review" consists of a complete review by you, and/or your Claims Administrator and/or your Agent prior to the date Known or potential catastrophic claims, large claims and/or shock losses are requested by us in connection with this proposal. "Disclosure" consists of Complete Details and any other documentation requested by us in connection with this proposal following a Diligent Review including but not limited to census information and Claim Information. We consider information in connection with this proposal "Known" if, prior to the date or dates we request such information (including but not limited to Disclosure and Claim Information) a reasonable person can assume that you, and/or your Claims Administrator and/or your Agent had knowledge of any information that affects or may affect the administration or underwriting of any coverage issued following acceptance of coverage by us.

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