



October 3, 2012

Lynn Peterson  
Risk Manager  
School Board of Sarasota County  
1960 The Landings Blvd.  
Sarasota, FL 34231

Re: Univers Enrollment and Workplace Services, Aflac, and  
Aon Hewitt Compensation Disclosure

Dear Lynn,

This letter is to outline the scope of our support for the worksite enrollment and benefit administration provided by Univers Worksite Services and to disclose the allocation of the commission we are scheduled to receive on the voluntary benefits provided by Aflac.

It is within the scope of the Services Agreement between SBSC and Aon Hewitt that we perform the following services in the best interest of the School Board:

- Ensure accurate follow through on all negotiated contractual agreements made between the District and any administrators or insurance carriers utilized by the District
- Ensure that all negotiated arrangements and other arrangements with any administrator and/or insurance carriers are strictly adhered to
- Work with team to develop and provide policy direction and new ideas to the District
- Establish procedures with vendors with regard to implementation
- Assist the District with the development of employee communication and in conducting employee information meetings as new programs are implemented, as well as support and education on existing benefit programs
- Provide the District with Benefits Guidebook, Posters, and newsletter announcements for annual enrollment

During the marketing conducted in 2011 for the plan year 2012, the Florida Blue response included \$65,000 for funding of an online enrollment system in lieu of paying for an implementation audit. Meanwhile, the SBSC has raised interest in implementing an online enrollment and benefit administration system.

Acting within the scope of our Service Agreement, Aon Hewitt analyzed several enrollment solutions for the SBSC through various carries, including Aflac, Colonial, Unum, and Humana. Due to SBSC's existing relationship with Aflac and the overall product and service offering, SBSC chose the enrollment solution and products offered in tandem through Aflac and Univers Worksite Services. This solution brought no disruption to existing Aflac enrollment or plan participation.

Upon selecting Univers/Aflac as a vendor/partner, the School Board requested and received funds in the amount of \$65,000 from Florida Blue to pay for the online enrollment system. This will result in a net zero cost for the system over 3 years for the School Board and is further outlined below.



Univers Worksite Services will be paid through commissions earned through the Aflac plans offered to SBSC employees. Without commissions, the cost for the system is \$5.85 per employee per month. Aon Hewitt has negotiated a rate of \$0.30 per employee per month as proposed through the Univers Enrollment and Workplace Service Agreement. This arrangement serves the following needs of SBSC:

1. The monthly fee of \$0.30 per employee per month multiplied by 6,000 employees equates to just under \$65,000 for three years of enrollment support and online benefits administration system.
2. Benefit products were chosen to compliment the current benefit program of SBSC: Critical Illness, Short Term Disability, Permanent (Whole) Life, and Accident.
3. Enrollment services include face to face enrollment of core benefits which will improve employee understanding of the benefits provided by SBSC and ease the employees into a self-service model.
4. Administrative system streamlines eligibility transmission and improves payment and enrollment accuracy with health and benefit vendors.
5. Call Center provides additional support to Risk Management for enrolling new hires, special events, and fielding benefit enrollment questions.

Aon Hewitt will retain a portion of the commissions that Aflac would normally pay to Univers. This portion of commission will be used to provide the following services to the SBSC to ensure an effective implementation and smooth transition of functionality.

- Attend weekly calls with Univers, Aflac, and SBSC through system implementation
- Provide guidance and validation of plan eligibility and enrollment provisions
- Provide rates and calculation samples, and assist with building business rules as they pertain to initial set-up and annual renewals
- Attend ad-hoc calls with various vendors, payroll contacts, IT, and Risk Management as it relates to eligibility files, error reports, life event management, and in-house functions (retiree/LOA)
- Review communication materials as produced by Univers and solicit approvals from fully insured vendors for accuracy
- Provide annual training to the enrollment counselors on the core benefits, SBSC culture, and pertinent enrollment provisions as they apply
- Direct and analyze post-implementation results as reported by Univers

Aon Hewitt will directly pay Univers any additional fees required in the normal course of business incurred for system costs in excess of \$0.30 PEPM throughout the three-year term of the Univers contract. Although no additional fees are expected, this confirms and ensures that the School Board of Sarasota County will not use Board funds to pay for onsite enrollment, benefit administration, or payroll interface.



The following outlines the Aon Hewitt compensation for these services.

| Carrier | Line of Coverage      | Plan Year           | Aon Hewitt Commission                                 |
|---------|-----------------------|---------------------|---|
| Aflac   | Critical Illness      | 1/1/2013-12/31/2013 | First Year: 10% of 70%<br>Subsequent Years: 10% of 8% |
| Aflac   | Permanent Life        | 1/1/2013-12/31/2013 | First Year 10% of 85%<br>Subsequent Years 10% of 2%   |
| Aflac   | Short-term Disability | 1/1/2013-12/31/2013 | First Year 10% of 40%<br>Subsequent Years 10% of 13%  |

It is our policy to fully disclose all commissions received and be completed transparent in all of our transactions with the School Board of Sarasota County.

Please acknowledge your acceptance of this commission disclosure by signing and returning this letter and retain a copy for your records. If you have any questions, please feel free to call me at 813-636-3104.

Sincerely,

JR Shamley  
Senior Vice President  
AonHewitt

CC: Mitsi Corcoran, SBSC  
Debbie Poole, Aon Hewitt

*Signature of Client*

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**Lynn Peterson**

**Date**