



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street - Room 120

Concord, New Hampshire 03301

Office@das.nh.gov

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Assistant Commissioner
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Catherine A. Keane
Deputy Commissioner
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November 6, 2019

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Administrative Services (DAS), Division of Risk and Benefits, to enter into a contract with The Segal Company, 116 Huntington Avenue, Boston MA 02116 (Segal) (VC# 164079) in an amount not to exceed \$1,787,500, for actuarial, claim audit, procurement support and general health benefits consulting services. The term of the contract is for three years set to commence January 1, 2020 and to expire December 31, 2022, with the option to extend for up to two additional years with Governor and Executive Council approval. **34% General funds, 15% Federal funds, 4% Enterprise funds, 10% Highway Funds, 1% Turnpike Funds, and 36% Other Funds.**

Funding is available in the Employee Benefit Risk Management Fund, contingent upon availability and continued appropriations for all fiscal years with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office if needed and justified:

	<u>SFY 2020</u>	<u>SFY2021</u>	<u>SFY2022</u>	<u>SFY2023</u>
01-14-14-140560-66000000				
046-500638 Consulting - Active	\$200,897	\$390,918	\$358,128	\$168,107
01-14-14-140560-66600000				
046-500638 Consulting - Troopers	7,096	13,809	12,650	5,938
01-14-14-140560-66500000				
046-500638 Consulting -Retirees U65	21,635	42,098	38,567	18,104
046-500659 Consulting - Retirees 065	84,372	164,175	150,405	70,601
01-14-14-140560-67000000				
046-500638 Consulting -Dental	10,000	10,000	10,000	10,000
FY Total	\$324,000	\$621,000	\$569,750	\$272,750
Grand Total	\$1,787,500			

EXPLANATION

The Commissioner of DAS is authorized, pursuant to RSA 21-I:28 to enter into contracts with "any organizations necessary to administer and provide a health plan." DAS administers the State Employee and Retiree Health Benefit Program (HBP) and the procurement of all necessary services. The HBP offers self-funded employee and non-Medicare eligible retiree medical, employee and retiree pharmacy and employee dental coverage. As of January 1, 2019, Medicare eligible retirees are covered for medical services under a fully-insured Group Medicare Advantage Plan. The HBP also offers flexible spending benefits and a benefit that allows co-payment, co-insurance and deductible reimbursement through a Health Reimbursement Arrangement (HRA). Benefits are provided to approximately 9,800 active employees and their families located in New Hampshire and the surrounding New England states and approximately 12,600 retirees, including spouses and dependents, located throughout the United States.

Health benefit consulting and actuarial services are essential to the support and delivery of a broad array of functions the State's HBP manages. Among the major services performed by the HBP's consultants is the setting of actuarially-determined, biannual budget rates and annual working rates, or premiums. The HBP consultants also play an important role in auditing the State's third-party administrators to verify that their financial and operational claims payment processes are accurate and that providers are properly paid. The HBP's consultants also provide technical assistance on a wide range of functions ranging from supporting contract procurements for health, prescription drug, dental, and other benefits to assisting the State in determining the programmatic and fiscal impacts of changes in federal and state law. This technical support includes assisting the HBP throughout the Collective Bargaining process by both recommending and evaluating changes in the health benefit plan design as well as financially modeling all proposed plan design changes to determine fiscal impact. Finally, the HBP requires consultants to assist in strategically positioning the HBP in an ever-changing health care landscape as well as complying with numerous federal requirements. The contract authorizes the HBP to adjust planned contract services and spending throughout the three-year term of the contract based on HBP priorities and needs. The cost of this three-year agreement represents less than 1% of the total HBP costs for one year.

The current contract with Segal for actuarial, claims audit and health benefits consulting services is set to expire on December 31, 2019. Therefore, DAS issued a Request for Proposal ("RFP") for consulting services on August 21, 2019. Notifications of the RFP were sent by the Division of Procurement and Support Services through the appropriate Institute for Public Procurement (NIGP) industry code database. The RFP was also posted on the Division of Procurement and Support Services public website. On September 13, 2019, three proposals were received from the following: Aon Consulting, Inc., Gallagher Benefit Services, Inc., and Segal Company (Eastern States), Inc. (Segal).

The scoring was based upon the areas of: Financial (50%) and Technical (50%). Based on the foregoing, the proposal submitted by Segal received the highest-ranking score and was accepted by unanimous vote by the evaluation members. The evaluation team consisted of the following members: Financial: Gary Lunetta, DAS Director of Procurement and Support Services, Ryan Aubert, DAS Purchasing Agent and Joyce Pitman, DAS Director of Risk and Benefits; Technical: Joyce Pitman, DAS Director of Risk and Benefits, Sarah Trask, DAS Senior Financial Analyst of Risk and Benefits, and Sheri Rockburn, DAS

Deputy Comptroller, Division of Accounting Services. The final evaluation scores are attached.

Although Segal did not receive the highest technical score, their financial score outweighed the next highest financial score by enough to capture the top overall score. Through contract negotiations, Segal agreed to reduce its initial cost proposal an additional 7.7%, bringing the total contract price to \$1,787,500 over the term of the three-year contract which results in a 5.6% decrease from the previous three-year Segal contract.

Segal has been a strong partner in providing health benefits consulting and actuarial services to the State since 2004. Their historical knowledge of the HBP was proven to be an asset in developing strategies to manage rising healthcare costs. In 2018, Segal partnered with Bailit Health to provide expertise in value-based purchasing alternative payment models that are currently included in the State's medical benefits third-party administrator contract. More recently, Segal is assisting the State in the financial analysis of the group Medicare Advantage Plan to determine the best strategy to contain retiree health costs over the next biennium.

Based on the foregoing, I am respectfully recommending approval of the contract with Segal.

Respectfully submitted,



Charles M. Arlinghaus
Commissioner

RFP 2242-20 Total Scoring Summary

	Total Available Points	Gallagher	Segal	AON
TPC		\$ 2,433,500.00	\$ 1,936,100.00	\$ 2,270,560.00
Cost Difference		25.6908%	0.0000	17.2749%
Convert Decimal to % Value		25.6908	0	17.2749
1 Point Reduction per % Higher		25.6908	0	17.2749
Vendor's Financial Score	50	24.31	50.00	32.73

	Total Available Points	Gallagher	Segal	AON
Questionnaire Section A: General Information About The Vendor's Firm	5	4	5	5
Questionnaire Section B: Experience In Providing Actuarial And Consulting Services for Public Sector Health Benefit Plans	10	6	8	9
Questionnaire Section C: Professional Staffing	15	11	15	13
Questionnaire Section D: Quality Management	10	7	10	10
Questionnaire Section E: Value-Based Purchasing	10	5	8	10
Vendor's Technical Score	50	33.00	46.00	47.00

Vendor's Total Score	100	57.31	96	79.73
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Subject: HEALTH BENEFITS CONSULTING AND ACTUARIAL SERVICES

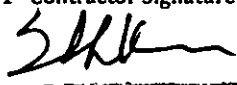
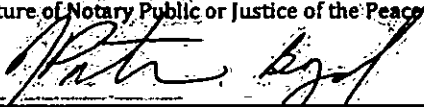
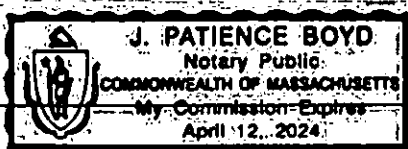

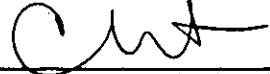
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Administrative Services		1.2 State Agency Address 25 Capitol Street, Concord, NH 03301	
1.3 Contractor Name The Segal Company (Eastern States), Inc.		1.4 Contractor Address 333 West 34 th St. 3 rd Floor New York, NY 10001-2402	
1.5 Contractor Phone Number 617-424-7341	1.6 Account Number 60-6600-500638, 60-6660-500638, 60-6650-500638, 60-6650-500659	1.7 Completion Date December 31, 2022	1.8 Price Limitation \$ 1,787,500
1.9 Contracting Officer for State Agency Joyce I. Pitman Director of Risk and Benefits		1.10 State Agency Telephone Number 603-271-3080	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Stephen L. Kuhn, Vice President of Segal	
1.13 Acknowledgement: State of Massachusetts , County of Suffolk On <u>November 6, 2019</u> (before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace J. Patience Boyd			
1.14 State Agency Signature  Date: <u>11-7-19</u>		1.15 Name and Title of State Agency Signatory Charles M. Arlinghaus, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>11/8/19</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no

event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

Contractor's Initials: *[Signature]*
Date: *11/14/19*

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by Insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement.

Contractor's Initials: *SM*
Date: *6/11/19*

Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Contractor's Initials: 
Date: 

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This Agreement and any Exhibits and Attachments hereto constitute the entire understanding of the parties hereto and supersedes any prior oral or written communication between the parties with respect to the subject matter hereof.

State of New Hampshire Terms and Conditions, General Provisions Form P-37

- EXHIBIT A: Scope of Services
- EXHIBIT B: Contract Price, Price Limitation, and Payment
- EXHIBIT C: Special Provisions

APPENDIX:

- Appendix A: Business Associate Agreement
- Appendix B: Change Order Request Form

Contractor's Initials: *SL*
Date: *11/1/19*

EXHIBIT A
SCOPE OF SERVICES

This Consulting Services Agreement (the Agreement) is made and entered into by and between the State of New Hampshire, Department of Administrative Services, Division of Risk and Benefits (hereinafter State) and The Segal Company (Eastern States), Inc. (hereinafter Contractor).

Section 1
Effective Date and Term

1. Effective Date

This Agreement is effective upon Governor and Executive Council approval. The parties agree that the consulting services to be provided under this Agreement shall commence on January 1, 2020, or upon approval of Governor and Executive Council (whichever is later), while implementation activities and other activities described herein shall commence immediately upon Governor and Executive Council approval. Payments under this Agreement shall not commence prior to January 1, 2020.

2. Term

The term shall be the period commencing on the Effective Date and ending December 31, 2022, with the option to renew for up to two additional years, subject to the approval of the Governor and Executive Council.

3. Transition Upon Contract Termination or Expiration

Should a subsequent contract for Consulting and Actuarial Services be awarded to a provider other than the Contractor, the Contractor shall, to the greatest extent possible and reasonable, cooperate with the State in executing those actions necessary to facilitate a smooth and orderly transition to the next service provider. If deemed necessary by the State, upon approval from the Governor and Executive Council, the parties may execute any contract extension necessary to ensure there is no lapse or decline of service at the start of the subsequent contract.

Section 2
Account Management

1. Dedicated Professional Staffing

- a) **Lead Consultant:** The Contractor shall assign a dedicated Lead Consultant who will serve as the primary contact for the services outlined in this Agreement as well as be responsible for the overall client relationship. The Lead Consultant shall possess a minimum of 15 years of health benefit consulting experience in the public sector and maintain the highest level of technical knowledge about the State's Program. The State will provide the most advanced notice as possible when requesting the attendance of the Lead Consultant onsite. The Lead Consultant shall be required, on occasion, to testify before legislative and administrative bodies.

Contractor's Initials: 
Date: 

- b) **Consulting Actuary:** The Contractor shall also assign a dedicated Consulting Actuary who will assist the Lead Consultant by serving as the primary point of contact for the actuarial services outlined in this Agreement as agreed upon between the State and the Contractor. The Consulting Actuary shall possess a minimum of 15 years of applicable public sector experience and maintain the highest level of technical GASB/OPEB knowledge as it relates to retiree health benefit plans. The Consulting Actuary shall be able to discuss actuarial theory, the basis for assumptions, and all other actuarial matters in language that is easily understood by the targeted audiences. The State will provide the most advanced notice as possible when requesting the attendance of the Consulting Actuary onsite. The Consulting Actuary shall be required, on occasion, to testify before legislative and administrative bodies.
- c) **Consistent Staffing:** The dedicated Lead Consultant and/or the Consulting Actuary shall be assigned to the State and remain assigned to the State for the term of the Contract, unless the State agrees in writing to modify the assignment. If designated Lead Consultant and/or the Consulting Actuary leave during the term of the contract, the State shall be notified immediately upon notice of departure. The Contractor shall submit the replacement name(s) and credentials for approval by the State prior to working in their new roles. The State reserves the option to meet the recommended replacement(s) prior to approving their assignment to the State.
- d) **Other Professional and Support Staff:** The State recognizes that it is necessary for the Lead Consultant and the Consulting Actuary to receive assistance from other professional and support staff and resources to accomplish all of the services outlined in this Agreement. The Contractor shall provide the State with the names, titles, duties, experience, and applicable credentials of all professional and support staff who work on the State's business. The State reserves the right to approve all professional and support staff as well as request different staff at any time during the term of this contract if service expectations are not met.

**Section 3
Consulting Services**

1. Actuarial and Underwriting
a) Budget and Working Rates

- 1. In developing the Working Rates/Budget Working Rates, the Lead Consultant shall:
 - i. Work directly with Program's third-party administrators (TPAs) to obtain accurate and complete historical claims and enrollment data.
 - ii. Evaluate enrollment (actual and projected), trend factors (actual state trends and national and local industry trends), TPAs current and projected contractual terms, Health Benefit Plan (HBP) administrative expenses, extraordinary liabilities or recoveries (actual and projected), and HPB reserve adjustments.
 - iii. Review and assess claims, data, and other relevant information provided by both the State and its TPAs, which materially impact appropriate rate projections and rate setting.
 - iv. Actuarially develop accurate working rate projections and actual rate recommendations on both calendar and fiscal year basis (budget working rates).

Contractor's Initials: *SES*
Date: *11/17*

- v. Provide a draft working rate report for the State's review and comments in September of each year and budget working rate report for the State's review and comments in April and November of each even year. The Working Rate and Budget Rate Reports shall include:
 - An introduction and executive summary of the recommended rates as compared to the prior period
 - A financial summary of the total annual projected costs based on the recommended rates as compared to the prior periods rates and total costs
 - Monthly recommended rates for each of the eight plans by plan and tier with explanations for percentage changes year over year
 - An explanation of the TPA assumptions in the rate calculations for each plan
 - A Statement of Actuarial Opinion
 - Detailed rate development factors and methodology for each rate calculation that support the total annual projected costs
2. The Lead Consultant shall provide an in-person final presentation of the calendar year working rates and budget working rates projection analysis and recommendations.
 - i. Calendar year working rates shall be recommended and presented to the State in person in September of each year for a final rate approval by October 1 of each year or a mutually agreed upon date in October.
 - ii. Budget rates developed for the State's two-year budget shall be recommended and presented to the State in April of each even year. Budget rates shall be updated for any contractual changes and updated claims experience and updated budget rates shall be recommended in October or November of each even year as required by the State.
 3. The Contractor shall develop claims lag analysis based on data provided by the vendors, and using appropriate actuarial completion factors. Recommend and present the State with an Incurred But Not Reported (IBNR) reserve by plan as of June 30 of each year by August 30th of that year or a mutually agreed upon date in September.
 4. The Contractor shall review and evaluate the State's benefit plan financial position (surplus/deficit) based on revenue and cost projections developed by the Contractor, and utilizing accounting and budget documentation provided by the State.
- b) Governmental Accounting Standards Board/Other Post-Employment Welfare Benefit (GASB/OPEB) Valuations**
1. The Consulting Actuary shall perform the required Census Data Collection for the OPEB Valuation as follows:
 - i. In January of every odd year, formally request all census data needed to complete the bi-annual valuation.
 - ii. Accept multiple census data files from the State that will need to be merged together.
 - iii. Perform a detailed comparison of current census data to prior census data to determine discrepancies for review with the State.
 - iv. Apply State eligibility laws to active employee and deferred vested retire census data.

Contractor's Initials: *SAW*
 Date: *11/16/19*

2. The Consulting Actuary shall provide the Bi-Annual OPEB Actuarial Valuation and Valuation Roll-Forward Reports as follows:
- i. Ensure the actuarial valuation is accurate and is in compliance with GASB Statement 75 and any other pertinent GASB statements related to Other Post-Employment Benefits.
 - ii. Prepare the actuarial valuation as of 12/31/2020 by October 1 of the following year, or a mutually agreed upon date.
 - iii. Describe the methodology to calculate and allocate the Total OPEB liability to different funds and component units for a pay as you go OPEB plan without assets in a trust.
 - iv. Provide a statement to confirm the methodology complies with GASB standards.
 - v. Provide a GASB Statement 75 report each year for inclusion in the State's Comprehensive Annual Financial Report (CAFR) that includes all required information for financial statements, the note to the financial statements and required supplementary information. The GASB Statement 75 report in the first two contract years shall be prepared based a roll forward of the 12/31/18 actuarial valuation.
 - vi. Follow the schedule below and provide GASB Statement 75 Reports each year based on the appropriate plan measurement date for the CAFR reporting period. In the year the valuations are completed, the valuation report shall include the required GASB Statement 75 information for CAFR reporting.

Contract YEAR	OPEB Actuarial Valuation Completed	OPEB Actuarial Valuation Used for GASB 75 Report	Plan Measurement Date for GASB 75 Report	CAFR Reporting Period
2020		12/31/2018	6/30/2019	FY2020 (7/1/2019 - 6/30/2020)
2021	12/31/2020	12/31/2018	6/30/2020	FY2021 (7/1/2020 - 6/30/2021)
2022		12/31/2020	6/30/2021	FY2022 (7/1/2021 - 6/30/2022)

3. The Consulting Actuary shall provide support during the State's annual financial statement audit as follows:
- i. Assist the State and Component Unit Auditors by providing additional calculations and support for the Total OPEB Liability, deferred inflows/outflows of resources and OPEB expense as reported in the GASB Statement 75 report and as compared to the previous GASB Statement 75 report.
 - ii. Meet (in person or on a call) with the State on a regular basis to ensure the State is involved in vetting the recommended assumptions for the actuarial valuation.
 - iii. Assist the State in answering audit questions related to the assumptions used in the actuarial valuation and GASB Statement 75 Reports. This may require calls with the State auditor's actuaries.
 - iv. Provide a full census file to the State's auditors and the State's Component Unit auditors.

c) State Retiree Health Plan Commission:

Contractor's Initials: *AK*
Date: *11/11/19*

Per RSA 100-A: 56, the State Retiree Health Plan Commission is required to determine the actuarial assumptions to be used in the GASB OPEB actuarial valuation.

The Consulting Actuary of the Contractor shall present the recommended actuarial assumption changes (in person) at a meeting to the State Retiree Health Plan Commission every odd year.

d) Other Requirements of the Contractor related to OPEB:

1. Assist the State with the OPEB related content in the State's annual Bond Information Statements and rating agency calls.
2. Assist the State as needed with CAFR auditor inquiries related to all of the work outlined above.

e) Other Actuarial and Underwriting Services

Because the State cannot anticipate all other general actuarial and underwriting service needs the State may require during the contract period, the State may need to look to the Contractor for unanticipated actuarial and underwriting services. The Consulting Actuary or Lead Consultant shall work with the State to determine the requirements necessary to perform the work as necessary.

2. Health Benefit TPA Claims Audits

The following outlines the minimum activities expected to be included in each of the health benefit plan TPA claims audits as they apply to each respective audit outlined below. The Contractor shall perform audits on claims paid under the TPA contracts outlined below and under any subsequent contracts for these services during the period of this contract. The Contractor shall complete claims audits within 180 days from initiation and shall present a draft written audit report for the State's review and comment. The final written audit report shall be delivered by a mutually agreed upon date and shall be accurate. It is at the State's sole discretion should it choose not to perform the following audits.

a) Types of TPA Claims Audits

1. Medical Claims Third Party Administrator

The State's expects to The Contractor shall audit the medical plan TPA claims and contract on an annual basis approximately (3) three to (6) six months following the close of each calendar year to allow for claims run out. The audit shall include evaluation of the TPA's performance in meeting the contractual pricing and trend guarantees. The Contractor shall evaluate performance in administering the medical benefits in accordance with plan design and performance guarantees. The State may also require the Contractor to conduct more targeted audits to address issues pre-defined at annual audit preparation meetings. The audit shall include ensuring that the claims are being paid accurately for services under the plan.

2. Pharmacy Claims Third Party Administrator

The Contractor shall evaluate performance in meeting the contractual pricing guarantees associated with ingredient cost discounts, dispensing fees, and rebates. The Contractor shall also

Contractor's Initials: *SAH*
Date: *11/1/13*

evaluate performance in administering the pharmacy benefits in accordance with plan design and performance guarantees. This audit includes all claims on an annual basis.

3. Dental Claims Third Party Administrator

The Contractor shall evaluate performance in administering the dental benefits in accordance with plan design and performance guarantees on even numbered years. The dental claims audit period will be the most recent calendar year. The State reserves the option to extend the audit over the 24-month period if deemed appropriate by the State.

4. Flexible Spending and Health Reimbursement Arrangement Claims Administrator

The Contractor shall evaluate performance in administering the FSA/HRA benefits in accordance with plan design and performance guarantees. The State shall require the Contractor perform audit/s on the FSA/HRA TPA and any subsequent vendor as a result of the RFP on odd numbered years.

b) Health Benefit Claims Audit Requirements

Audits shall include the following evaluations and reviews as applicable with respect to all health benefit services:

1. Evaluation of the TPAs' performance in accordance with the provisions of the State health plan documents, the contractual agreements between the TPA and the State, and the State's benefit booklets.
2. Review of: operations, service, claim adjudication and payment, obtaining of guaranteed provider discounts, and the TPAs' application of participating provider agreements and all other service and financial agreements in order to maximize savings to the State's health plans.
3. Specific to the State's managed behavioral health claims, including substance abuse, and operations: evaluation of the TPA's performance including claims processing accuracy, financial accuracy, time to process claims, management of behavioral health care to maximize savings on both an inpatient and outpatient basis, adequacy of geographic network, access to necessary specialties, utilization review processes and quality assurance programs, and claim and dispute resolution procedures.
4. Review of areas where the TPA is obligated to coordinate with the State's other TPAs, evaluate the transfer and reconciliation of enrollment data, claims data, common medical deductible administration, disease management and large case management programs.
5. Evaluate all areas for which there are contractual performance guarantees against those guarantees, to determine whether the TPA did or did not meet the guarantee for the applicable time period.
6. For claims processing and operations, evaluate the TPAs' performance in the area of other party liability application and recovery, and whether these applications are maximized and applied consistently in accordance with industry norms, and with the applicable TPA contracts.
7. Evaluate TPA's performance in maximizing Coordination of Benefits (COB) savings for the State. Many State employees have working spouses covered by other medical plans. Determine how the TPA investigates for the existence of other coverage, how frequently this information is updated,

Contractor's Initials: *SK*
Date: *11/1/15*

- and how it is updated. Determine how the TPA is investigating for Worker's Compensation and other accident liability before paying a claim.
8. Evaluate the TPA's subrogation investigational procedures, and its subrogation performance on the State's plans.
 9. Evaluate the quality of TPA's internal audit procedures and fraud controls, and evaluate TPA's performance on State's plans.
 10. Specific to the medical benefits administrator, evaluate the TPA's performance, as applicable, in the areas of: preadmission certification, concurrent review, discharge planning, retrospective claims review; and individual and large case management.
 11. Evaluate TPA's performance against the appropriate guarantees in each of the TPA contracts. Determine the extent to which plan savings and discounts are being applied to submitted claims. Based on this information, estimate the expected level of realized plan savings to the State for the contract year.
 12. Using a statistically valid sampling methodology, determine the financial accuracy and timeliness of claim payments in accordance with the performance measures in the State's contracts with the TPA. Confirm that the sample will be selected in conformity with acceptable scientific random sampling procedures or other audit methodology as approved by the State. For the sampling methodology, state the confidence level, tolerance and expected error rate that the sample will test. State the minimum sample size to be surveyed and the methodology to be used in the sample.
 13. Determining that adequate internal controls are in place and operating effectively to ensure the accurate and timely processing of medical and behavioral health claims.
 14. Determining the accuracy of claim coding. Reviewing adequacy of TPA's methods for identifying inappropriate coding of procedures by hospitals and providers (upcoding, unbundling, etc.) Review TPA's system on-line edits for proficiency in ensuring medical and behavioral health claims processing accuracy, identifying potential ineligible charges, flagging questionable providers and/or charges requiring referral for medical review, and prohibiting duplicate payments.
 15. Evaluate the TPA's interpretation and performance of services and payments against state plan's administrative provisions and utilization review requirements
 16. Specific to dental benefits administration, evaluate the TPA's performance including claims processing accuracy, financial accuracy, and time to process claims, management of dental care to maximize savings on an outpatient basis, adequacy of geographic network, access to necessary specialties, utilization review processes and quality assurance programs, and claim and dispute resolution procedures.
 17. Specific to the State's prescription drug plans, evaluate the TPA's performance in the following areas:
 - i. Dispensing accuracy in prescription fulfillment;
 - ii. Financial accuracy;
 - iii. Generic substitution efficiency rate;
 - iv. Clinical management programs;
 - v. Savings guarantees (retail pharmacy discounts, mail order discounts);
 - vi. Rebate guarantees;
 - vii. Product switch/intervention efforts;
 - viii. Lower of Usual and Customary price guarantee;
 - ix. Electronic edit and concurrent DUR savings;
 - x. Retrospective Drug Utilization Review savings

Contractor's Initials: *JMC*
Date: 11/2/19

xi. Service guarantees

c) Health Benefits Claims Audit Reports Requirements

The Contractor shall complete claims audits within 180 days from initiation and shall present a draft written audit report for the State's review and comment. The final written audit report shall be delivered by a mutually agreed upon date and shall be accurate. Upon completion of each of the audits listed above, the State requires the Contractor to provide a comprehensive report of its analysis performed. The report shall be tailored as applicable to the type of audit it entails. At a minimum each report shall include:

1. A summary of audit activities performed;
2. Outline of the specific operational procedures reviewed;
3. Outline of the claims audit processes and outcomes;
4. A listing and description of all errors, observations and concerns, the TPA's explanation regarding the errors, and any applicable remedies, including but not limited to amounts the State should collect from the TPA;
5. A summary of performance guarantees reviewed including comments and recommendations about the TPA's performance and penalty amounts to be collected by the State, if applicable;
6. The lead auditor assigned to each claims audit shall present the claims audit findings at in-person meetings at State offices.

3. Health Benefit TPA Procurement and Contracting

The Contractor shall provide technical review and related assistance in the development of its Requests for Proposal (RFP), Requests for Information (RFI) and Requests for Bid (RFB). The Contractor shall provide varying levels of underwriting and actuarial analysis of rate quotes and cost proposals. The Contractor shall provide varying levels of review and technical assistance in evaluating the range of services as prescribed in the respective RFPs, etc. In addition to TPA procurement assistance, the State may also request the Contractor to provide negotiation and contracting assistance.

a) Procurement Component Definitions

The following section defines and describes the procurement components for RFPs the State anticipates issuing during the term of this Agreement and the work the Contractor shall perform.

1. Drafting of RFPs, RFBs and RFIs:

The Contractor shall comply with applicable State Purchasing Rules and work with the State as needed to ensure compliance.

The Contractor shall assist with drafting requirements based on its research of current industry trends and best practices, and its experience and expertise gained from servicing other similarly situated employers/clients.

2. Scoring Financial Proposals:

Contractor's Initials: SJK
Date: 11/6/15

The Contractor shall provide Risk and Benefits with a report on financial scoring of proposals.

3. Scoring Technical Proposals:

The Contractor shall provide Risk and Benefits with a report on actual technical scoring of proposals.

b) Contractual Recommendations

The Contractor shall provide assistance as requested by the State with negotiating contract terms. In addition, the Contractor shall assist to the State in identifying issues for inclusion in a contract or agreement document or shall review of portions of draft documents. In all instances, the State will formally execute its agreements with TPAs and perform its own legal review of contract or agreement documents.

c) Procurements

The following grid identifies the contracts that are set to expire during the term of this Agreement. All contracts include a provision for extension for up to two years that, if elected and approved by the Governor and Executive Council, would extend the date accordingly.

Service	Contract End Date
Medical Benefits Administration	12/31/2020
Medicare Benefits Administration (Medicare Advantage)	12/31/2020
Pharmacy Benefits Management	12/31/2021

The Contractor shall be prepared to provide the full scope of services outlined in this section of the Agreement. Prior to beginning the procurement process, the Contractor and State shall meet and determine the scope of services.

1. Medical Benefits and Medicare Benefits Administration

The Contractor shall assist the State with the release of a request for proposal for medical benefits administration and/or Medicare benefits administration as mutually agreed between the Contractor and the State. The medical benefits for the self-funded plan and the fully-insured Medicare benefit plan may be separate procurements. The Contractor shall assist the State in the following areas:

- i. RFP, RFB and RFI Drafting (as needed)
- ii. Scoring Financial Proposal
- iii. Scoring Technical Proposal
- iv. Proposal Review, Comments and Recommendations
- v. Technical Advice/Consulting (pre- and post- contracting)
- vi. Contractual Recommendations and negotiation assistance
- vii. Attendance at Governor and Council meetings

Contractor's Initials: *SPC*
Date: *6/12/19*

2. Pharmacy Benefits Management

The Contractor shall assist the State with the release of an RFP for pharmacy benefits management in 2021. The Contractor shall be required to assist the State in the following areas:

- i. RFP, RFB and RFI Drafting (as needed)
- ii. Scoring Financial Proposal
- iii. Scoring Technical Proposal
- iv. Proposal Review, Comments and Recommendations
- v. Technical Advice/Consulting (pre- and post- contracting)
- vi. Contractual Recommendations and negotiation assistance
- vii. Attendance at Governor and Council meetings

3. Reverse Bidding

The Contractor shall provide assistance to the State regarding an RFP for a vendor to administer reverse bidding of Program contracts like the pharmacy benefit management TPA services. The Contractor shall be required to assist the State in the following areas:

- i. RFP, RFB and RFI Drafting (as needed)
- ii. Scoring Financial Proposal
- iii. Scoring Technical Proposal
- iv. Proposal Review, Comments and Recommendations
- v. Technical Advice/Consulting
- vi. Contractual Recommendations and negotiation assistance
- vii. Attendance at Governor and Council meetings

4. Prescription and Medical Claims Analytics and Data Warehousing

The Contractor shall provide assistance to the State regarding an RFP for a vendor to store and analyze prescription and medical claims data to determine trends. The Contractor shall be required to assist the State in the following areas:

- i. RFP, RFB and RFI Drafting (as needed)
- ii. Scoring Financial Proposal
- iii. Scoring Technical Proposal
- iv. Proposal Review, Comments and Recommendations
- v. Technical Advice/Consulting
- vi. Contractual Recommendations and negotiation assistance
- vii. Attendance at Governor and Council meetings

4. General Health Benefits Consulting

The Contractor shall perform general health benefits consulting services on a broad range of topics which arise in the administration of the health benefits program. The Contractor shall deliver consulting services at a minimum on the following topics. The State's estimate of the necessary hours of general consulting for each year of the contract agreement can be found in Exhibit B associated with each of the following topics.

Contractor's Initials: *SLC*
Date: *11/6/13*

a) Value-Based Purchasing of Healthcare and Other Alternative Payment Models

The Contractor shall assist with strategic planning to achieve optimal clinical and financial outcomes from the medical TPA and its network providers, including analyzing performance and setting improvement goals. The Contractor shall provide information and assistance including support in analyzing plan-specific data from medical and pharmacy TPAs. The resources shall include but not be limited to providing information on health care cost trends, alternative payment models, clinical quality metrics, benchmarking, chronic disease management, innovation care models, and wellness initiatives. The State shall require attendance of the Lead Consultant to assist with meeting preparation.

b) Pharmacy Benefit Consulting

The Lead Consultant and the Contractor's lead clinical pharmacy expert shall assist with various pharmacy benefit consulting inquiries including but not limited to, industry trends, legislative environment at a federal and state level, clinical utilization management programs, cost containment strategies, and other general pharmacy related consulting.

c) Health Benefits Committee (HBC) Consulting

The Contractor shall assist the State with general health benefits consulting throughout its work before, during and after collective bargaining. The Contractor shall continue to provide information and assistance to the State, including support in analyzing plan-specific data provided by TPAs. The resources shall include but not be limited to providing information on health care cost trends, current trends and research on plan design, vendor management, how to obtain better access to health information, quality measures, disease management, and wellness. The Lead Consultant shall attend meetings (in person, if needed) as requested by the State to assist with meeting preparations.

d) Collective Bargaining Agreement (CBA) Consulting

The Contractor shall provide the State with financial analysis and modeling of recommended benefit design changes. The Contractor shall work with the State to develop and coordinate a process including the TPAs to perform financial and other modeling related to collective bargaining. The Lead Consultant shall be accountable to manage the modeling process including accuracy and meeting all deadlines for deliverables.

e) Retiree Health Benefits Consulting

The Contractor shall assist the State with trends, budget projections, financial and demographic modeling of changes to plan design and state paid premiums and retiree paid premium contributions. The Lead Consultant shall attend meetings with the State and the legislature as required.

f) Department Enrichment

Contractor's Initials: *sek*
Date: *11/15/15*

The Contractor shall provide education to the State HBP management team as requested related to but not limited to the following:

- Health benefit and health policy seminars and publications from the Contractor or other sources
- Trends in federal and state laws
- Applicable Governmental Plan Compliance Checklists and training
- Alternative Payment Models and Value-Based Purchasing training
- Other subjects as requested by the State

g) National Healthcare Reform

The Contractor shall provide support and expertise in the areas of compliance, cost containment, and any other matters related to national healthcare.

h) HIPAA Consultation

The Contractor shall provide advice and consultation to support the State's HIPAA privacy and security rule compliance on the part of its Program.

i) Guidance on Trends and Data Analysis

The Contractor shall obtain information from the Program's TPAs to identify key indicators in its healthcare data that are driving costs. The Contractor shall provide guidance on the development of steps the State can take to lower health care costs or improve quality.

j) Other General Health Benefits Consulting

The Contractor shall provide assistance as required by the State related to unanticipated health benefits program consulting. The Lead Consultant shall work with the State to determine the consulting requirements necessary to perform the work as necessary.

5. Provisional Timeline

The following outline is a provisional timeline with respect to the State's anticipated needs for the contract agreement period. This timeline is meant to illustrate the State's needs and is not meant to be exact and is subject to change. This contract permits the State to carry forward funds so that any service could be performed in any year of the contract.

a) The following services shall be performed in Year 1 of the consulting contract:

- Working rate development for CY 2021 health and dental plans
- Budget rate development for State operating budget FY22/23
- Finalize the roll forward of the 12/31/18 OPEB valuation to the 6/30/19 measurement date for GASB Statement 75 Report for FY2020 financial reporting
- TPA Claims Audit reviews of:
 - Medical claims (to include Behavioral Health) for calendar year 2019;
 - Prescription drug claims for calendar year 2019 ;

Contractor's Initials: 
Date: 

- o Dental claims for calendar year 2019 and;
- TPA RFP for medical benefit administrator
- TPA RFP for Medicare benefit plan administrator, if warranted
- TPA RFP for Prescription and Claims Analytics, if warranted
- TPA RFP for Reverse Bidding, if warranted
- General benefits consulting

b) Year 2 (2021) of the consulting contract shall include the following services:

- Working rate development for CY 2022 medical and dental plans
- GASB/OPEB valuation as of 12/31/20 including a GASB Statement 75 Report with 6/30/2021 measurement date for FY2022 financial reporting
- Roll forward of the 12/31/18 OPEB valuation to the 6/30/2020 measurement date for FY2021 financial reporting
- Vendor Claims Audit reviews of:
 - o Medical claims (to include Behavioral Health) for calendar year 2020;
 - o Prescription drug claims for calendar year 2020;
 - o FSA/HRA Claims for calendar years 2019 & 2020;
- TPA RFP for the prescription drug benefit administrator (PBM)
- General benefits consulting

c) Year 3 (2022) of the consulting contract shall include the following services:

- Working rate development for CY 2023 medical and dental plans
- Budget rate development for State operating budget FY24/25
- Finalize the roll forward of the 12/31/2020 OPEB valuation to the 6/30/21 measurement date for GASB Statement 75 Report for FY2022 financial reporting
- Vendor Claims Audit reviews of:
 - o Medical claims (to include Behavioral Health) for calendar year 2021;
 - o Prescription drug claims for calendar year 2021;
 - o Dental claims for calendar year 2021 and;
- Vendor RFP for medical benefit administrator, if warranted
- TPA RFP for Medicare benefit plan administrator, if warranted
- General benefits consulting

Section 4

Required Protection of Confidential Information and Data Security

Contractor, inclusive of any subsidiaries and related entities shall gain access to State data and information and with respect to such will comply with the following terms and conditions.

1. Definitions

- a. Confidential Information. Protected health information (PHI), personally identifiable information (PII), and other personal private, and/or sensitive information.

Contractor's Initials: 
Date: 

- b. Data. All information and things developed or obtained during the performance of, or acquired or developed by reason of, this agreement, including but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

2. Contractor Responsibilities

- a. Confidential Information obtained by Contractor shall remain the property of the State and shall at no time become the property of Contractor unless otherwise explicitly permitted under the Agreement.
- b. Contractor shall develop and implement policies and procedures to safeguard the confidentiality, integrity and availability of the State's information.
- c. Contractor shall not use the State's Confidential Information developed or obtained during the performance of, or acquired or developed by reason set forth within the Agreement, except as is directly connected to and necessary for Contractor's performance under the Agreement, or unless otherwise permitted under the Agreement.
- d. In the event Contractor stores Data and/or Confidential Information, such information shall be encrypted by Contractor both at rest and in motion.
- e. Contractor shall have, and shall ensure that any subcontractors or related entities have, proper security measures in place for protection of the State's data. Such security measures shall comply with HIPAA and all other applicable State and federal data protection and privacy laws.

3. Controls. Contractor shall, and shall ensure that any subcontractors or related entities use at all times proper controls for secured storage of, limited access to, and rendering unreadable prior to discarding, all records containing the State's Confidential Information. Contractor shall not store or transfer Confidential Information collected in connection with the services rendered under this Agreement outside of the North America. This includes backup data and disaster recovery locations.

4. Breach Notification.

- a. Contractor shall notify the State of any security breach, or potential breach of Contractor or any subcontractors or related entities, that jeopardizes, or may jeopardize the State's Data, Confidential Information, or processes. For purposes of reporting under this Section, security breach or potential breach shall be limited to the successful or attempted unauthorized access, use, disclosure, modification, or destruction of information, or the successful or attempted interference with system operations in an information system.
- b. Contractor shall notify the State of a security breach, or potential breach of Contractor or any subcontractors or related entities upon discovery. Contractor will treat a security breach or potential breach as being discovered as of the first day on which such incident is known to Contractor, or by exercising reasonable diligence, would have been known to Contractor. Contractor shall be deemed to have knowledge of a security breach or potential breach if such incident is known, or by exercising reasonable diligence would have been known, to any

Contractor's Initials:

Date:

[Handwritten Signature]
[Handwritten Date]

person, other than the person committing the breach, who is an employee, officer or other agent of Contractor.

- c. Full disclosure of the security breach or potential breach of Contractor or any subcontractors or related entities shall be made and include all available information resulting from investigation of the security breach or potential breach. Contractor shall: make efforts to investigate the causes of the security breach or potential breach; promptly take measures to prevent any future breach; and mitigate any damage or loss. In addition, Contractor shall inform the State of the actions it is taking, or will take, to reduce the risk of further loss to the State.
 - d. All legal notifications required as a result of a breach of information, or potential breach, collected pursuant to this Agreement shall be coordinated with the State.
5. **Liability and Damages.** In addition to Contractor's liability as set forth elsewhere in the Agreement, if Contractor or any of its subcontractors or related entities is determined by forensic analysis or report, to be the likely source of any loss, disclosure, theft or compromise of State's data or Confidential Information, the State shall recover from Contractor all costs of response and recovery resulting from the security breach or potential breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services. A security breach or potential breach may cause the State irreparable harm for which monetary damages would not be adequate compensation. In the event of such an incident, the State is entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance and any other relief that may be available from any court, in addition to any other remedy to which the State may be entitled at law or in equity. Such remedies shall not be deemed exclusive, but shall be in addition to all other remedies available at law or in equity, subject to any express exclusion or limitations in the Agreement to the contrary.
 6. **Data Breach Insurance.** In addition to Contractor's insurance obligations as set forth in the form contract P-37, Contractor shall carry Data Security & Privacy Cyber Liability Insurance coverage for unauthorized access, use, acquisition, disclosure, failure of security, breach of Data or Confidential Information, privacy perils, in an amount not less than \$10 million per annual aggregate, covering all acts, errors, omissions, at minimum, during the full term of this Agreement. Such coverage shall be maintained in force at all times during the term of the Agreement and during any period after the termination of this Agreement during which Contractor maintains State Data or Confidential Information.
 7. **Data Recovery.** Contractor shall be responsible for ensuring backup and redundancy of the State's Data and Confidential Information for recovery in the event of a system failure or disaster event within Contractor's data storage systems. Contractor shall ensure that its subcontractor or related entities provide similar backup and redundancy of the State's Data and Confidential Information.
 8. **Return or Destruction of Data and Confidential Information.** Upon termination of the Agreement for any reason, Contractor shall:
 - a. Return or destroy the Data or Confidential Information Contractor still maintains in any form. Whether the information is returned or destroyed is determined at the sole discretion of the

Contractor's Initials: SAL
Date: 12/11

State. Information that is destroyed shall be permanently deleted and not recoverable according to National Institute of Standards and Technology approved methods. Contractor shall provide the State with certificates of destruction and/or certificates verifying that all information has been returned and none retained. If it is not feasible for Contractor to return or destroy portions of such confidential data or information in its possession, Contractor shall inform the State as to the specific reasons that make such return or destruction infeasible and may retain such data or information with approval of the State which shall not be unreasonably withheld.

- b. Certain types of information which must be retained for the State's benefit, such as records of actuarial determinations, will be maintained as agreed upon by the State.
 - c. Continue to use appropriate safeguards as identified above with respect to any Data or Confidential Information that is retained
 - d. Not use or disclose Data or Confidential Information retained other than for purposes for which such information has been retained, and subject to the same terms and conditions as set forth in the original Agreement.
9. Access to System Logs. Contractor shall allow the State access to system security logs, latency statistics, etc., that affect the Agreement, the State's data and/or processes. This includes the ability of the State to request a report of the records that a specified user accessed over a specified period of time.
10. Import/Export Data. The State shall have the ability to import or export data in piecemeal manner or in its entirety at its discretion without interference from the Contractor and with the Contractor's assistance, at no additional cost to the State.
11. Survival. This Section 4 *Required Protection of Confidential Information and Data Security* shall survive termination or conclusion of the Agreement.

**Section 5
Performance Guarantees**

Results for the Performance Guarantees shall be measured and reported annually by the Contractor with input from the Department, as needed, within 60 calendar days following the end of each calendar year of the Agreement. Any penalties due to the State will be remitted on a separate check, and not as an invoice credit, no later than 30 days after Performance Guarantee results are reported to the State.

The Contractor's aggregate annual amount at risk will be based on 25% of actual total annual fees paid to Contractor up to a maximum of \$100,000 per year. To the extent 25% of total annual fees are less than \$100,000, allocated amounts at risk for each measurement will be proportionately reduced.

	Standard	Amount
Claims Audits		

Contractor's Initials: *SLA*
Date: *1/2/15*

Audit process length	Claims audits will be complete within 180 days of initiation	\$10,000
Audit report accuracy	Audit reports will be accurate	\$10,000
GASB OPEB Valuation		
Valuation accuracy	Final report will be accurate and will include all aspects of eligibility and plan design and other factors required to provide an accurate valuation	\$10,000
Valuation delivery	Final report will be delivered by a date mutually agreed upon	\$10,000
Materials		
Accuracy	All materials, presentations, training guides, documents provided to the State will be accurate	\$10,000
Response Time		
Returned calls	Calls from the State will be returned within 4 business hours 95% of the time	\$10,000
Financial		
Working rates (to include trend analysis)	Calendar year working rates delivered to State by a date mutually agreed upon	\$10,000
Invoicing	Invoices will be delivered to the State in accordance with the mutually agreed upon invoicing deadlines.	\$10,000
Account Management		
Consistent Staffing	Account team members will remain constant for a least the first 18 months of the contract period excluding changes due to terminations and promotions	\$10,000
Implementation Team Turnover	Implementation team members will not change and will be responsible for accurate installation of all administrative and financial parameters described in this RFP.	\$10,000
Total		\$100,000

Contractor's Initials: *SPY*
Date: 11/01/15

EXHIBIT B
CONTRACT PRICE, PRICE LIMITATION, AND PAYMENT

BILLING AND PAYMENT

Billing: The Contractor shall send the State a monthly invoice for consulting services performed. The Contractor shall agree to invoice the State no later than the end of the following month. For example, the Contractor will invoice the State for January 2020 consulting services no later than February 29, 2020. The invoice amounts shall include detailed backup including dates, description of the service charge, and if the charge is for general consulting services, the detail shall include the category, the amount of time spent, and the position title and name of the employee who performed the general consulting work.

Payment: The State shall pay the Contractor by ACH transfer within 30 days from the date of State's receipt of each invoice. If the State disputes any item on any invoice, the State shall pay the invoice in full and shall notify the Contractor, in writing, of the specific reason and amount of any dispute. The Contractor and the State shall work together, in good faith, to resolve any dispute as soon as reasonably practicable.

CONTRACT PRICE

The Contractor hereby agrees to provide the services in complete compliance with the terms and conditions specified in Exhibit A at the fees below for the term of the contract ("contract price"). The contract price limitation is \$1,787,500; this figure shall not be considered a guaranteed or minimum figure, however it shall be considered a maximum figure from the effective date of January 1, 2020 through the expiration date of December 31, 2022.

1. ACTUARIAL, CLAIMS AUDIT, AND PROCUREMENT

The following schedule provides the Contractor's guaranteed flat fee based price for each service as detailed in Exhibit A for each year of the contract. The fees provided herein shall equal the total maximum amount the State shall be invoiced on an annual basis for each service provided. The State shall not pay any expenses or additional fees presented by the Contractor over and above the fees outlined herein.

Notwithstanding the above, the State reserves the right to re-allocate fees associated with the specific services as necessary during the contract term by a written change order (see Appendix B). A Change Order shall be defined as the document used to propose and accept changes to the scope of work of a project. Upon receipt of a Change Order, the Contractor shall advise the State, in detail, of any impact to cost (e.g., increase or decrease). Change Order(s) shall be requested and approved in advance by the Director of Risk and Benefits of the Department of Administrative Services. No oral order or conduct by the State shall constitute a change order unless confirmed in writing by the State.

Project/Service	Year One 2020	Year Two 2021	Year Three 2022
Actuarial and Underwriting			
Budget Rate Development	\$20,000	\$20,000	\$20,000
Working Rate Development	\$55,000	\$56,000	\$57,000

Contractor's Initials: *SK*
Date: *11/11/17*

Project/Service	Year One 2020	Year Two 2021	Year Three 2022
GASB/OPEB Valuation (Note 1)		\$62,000	
GASB/OPEB Valuation Updates	\$5,000	\$5,000	\$5,000
Vendor Claims Audits (Note 2)			
Medical Claims Audit (to include Behavioral Health claims)	\$50,000	\$51,000	\$52,000
Pharmacy Claims Audit (Note 3)	\$53,000	\$54,000	\$55,000
Dental Claims Audit	\$20,000		\$20,000
Flexible Spending/Health Reimbursement Claims Audit		\$35,000	
Procurements			
Medical Benefits Administration (Note 4)	\$95,000		\$40,000
Medicare Benefits Administration (Notes 4 & 5)	\$40,000		\$20,000
Pharmacy Benefits Management		\$90,000	
Reverse Bidding Administrator	\$15,000		
Prescription and Medical Claims Analytics	\$25,000		
Annual Totals	\$378,000	\$353,000	\$269,000

Note 1 - Includes projections required for the GASB 75 valuation (e.g., closed group) and the Component Units and Enterprise Funds breakouts.

Note 2 - Vendor Claims Audits fees include the presentation of claims audit findings at an in-person meeting at the State offices assuming one (1) meeting per year, where the separate audit findings for all of the audits performed in that year would be presented in person at that meeting by audit staff. If more than one (1) meeting is required, per year, with auditing staff present in Concord, each additional meeting would increase our guaranteed fee by \$1,500. If more than one (1) meeting per year is not required or if it is acceptable to have Segal auditing staff available by phone or video conference with other Segal staff present in Concord for the additional meetings, the added \$1,500 does not apply and the fees are as quoted in the table.

Note 3 - Pharmacy Claims Audit is based on the electronic audit approach and reports provided to the State of New Hampshire in the past. For auditing criteria that would require clinical review with a pharmacist on-site, our guaranteed quoted fee would increase by up to \$45,000 depending upon specific scope. Adding a Prescription Drug Potential Fraud and Abuse Review to an audit analysis would increase the audit fee by \$10,000.

Note 4 - It is anticipated that the procurement will start in 2022 and be completed in 2023. The Year 3 fee reflects an estimate for the work to be performed in 2022.

Contractor's Initials: *SC*
Date: *1/11/22*

Note 5 – It is anticipated that this procurement will start in 2019 and be completed in 2020. The Year 1 fee reflects the amount to be charged for the work performed in 2020.

2. GENERAL BENEFITS CONSULTING

The following rate schedule provides the Contractor's rates for each project area for each year of the contract. Prior to the commencement of any consulting services for the project areas listed, the State shall provide the Contractor with a detailed scope of work. Upon receipt, the Contractor shall submit a price quote to the State for the project(s) detailing the total amount of staff hours and hourly rate (in accordance with the rate schedule below) including a not to exceed dollar amount. The price quote(s) shall be submitted to the Contracting Officer, as set forth in Section 1.9 of the Form P-37, for approval by the State:

Notwithstanding the above, the State reserves the right to request changes or revisions to the scope of the projects at any time during the contract by a written Change Order (see Appendix B). A Change Order shall be defined as the document used to propose and accept changes to the scope of work of projects. Upon receipt of the Change Order, the Contractor shall advise the State, in detail, the hours and total price based upon the rates detailed below (e.g. increase or decrease). Change Order(s) shall be requested and approved in advance by the Director of Risk and Benefits of the Department of Administrative Services. No oral order or conduct by the State shall constitute a Change Order unless confirmed in writing by the State.

Project/Service	Estimated Hours Required	Year One 2020	Estimated Hours Required	Year Two 2021	Estimated Hours Required	Year Three 2022
Value-Based Purchasing of Healthcare	40	\$12,000	40	\$12,000	40	\$12,400
Pharmacy Benefit Consulting	40	\$14,000	40	\$14,000	40	\$14,400
HBC Support	50	\$15,000	50	\$15,000	50	\$15,500
Collective Bargaining	200	\$47,000	75	\$18,000	200	\$47,000
Retiree Health Benefits	150	\$45,000	150	\$45,000	150	\$46,400
Department Enrichment	100	\$25,000	100	\$25,000	100	\$26,000
National Healthcare Reform	50	\$10,000	50	\$10,000	50	\$10,000
HIPAA Privacy and Security Compliance	40	\$11,000	40	\$11,000	40	\$11,000
Prescription and Medical Claims Analysis	40	\$12,000	40	\$12,000	40	\$12,400
Other General Health Benefits Consulting	200	\$70,000	200	\$70,000	200	\$72,100
Data Analysis Consulting (not specific to the above)	30	\$9,000	30	\$9,000	30	\$9,300
Annual Totals		\$270,000		\$241,000		\$276,500

Contractor's Initials: *JSC*
 Date: *11/17/11*

3. HOURLY RATES

Contractor

Contractor Staff Position	Year One 2020	Year Two 2021	Year Three 2022
Senior Vice President Level	\$440	\$450	\$460
Clinical Expert	\$440	\$450	\$460
Vice President Level	\$400	\$410	\$420
Compliance Consultant	\$400	\$410	\$420
Associate Compliance Analyst	\$235	\$240	\$245
Administrative/Technology Consultant	\$400	\$410	\$420
Claims Audit Manager	\$400	\$410	\$420
Claims Auditor	\$275	\$280	\$285
Senior Health Analyst	\$370	\$375	\$380
Health Analyst	\$320	\$325	\$330
Associate Health Analyst	\$235	\$240	\$245

Subcontractor – Bailit Health

Subcontractor Staff Position - Bailit Health	Year One 2020	Year Two 2021	Year Three 2022
President / Senior Consultant	\$272	\$280	\$288
Consultant	\$175	\$180	\$185
Associate Consultant	\$128	\$132	\$136

Contractor's Initials: *JA*
Date: 11/19

EXHIBIT C
SPECIAL PROVISIONS

The parties agree to the following amendments to the corresponding provisions in the P-37, General Terms and Conditions:

1. Amend Section 9 by adding the following subsection 9.1.2 immediately after subsection 9.1:

Except to the extent that they incorporate the Contractor's proprietary software, know-how, techniques, methodologies and report formats (collectively, the "Contractor's Proprietary Information"), all documents, data, and other tangible materials authored or prepared and delivered by the Contractor to the State under the terms of this Agreement (collectively, the "Deliverables"), are the sole and exclusive property of the State once paid for by the State. To the extent that the Contractor's Proprietary Information is incorporated into such Deliverables, the State shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify the Contractor's Proprietary Information as part of the Deliverables internally and for their intended purpose.

2. Amend subsection 9.2 to read as follows:

All data and any property which has been received by the Contractor from the State, shall be the property of the State, and shall be returned to the State upon written demand or upon termination of this Agreement for any reason, except that the Contractor may retain an archival copy of the State's data to support its work under this Agreement and in accordance with the Contractor's business continuity and document retention policies, subject to its continued compliance with its confidentiality obligations herein. As such, contractor's business continuity and document retention policies, or relevant portions thereof, shall be provided to the State.

3. Amend Section 13 to read as follows:

The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the wrongful or negligent acts of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

4. There are no other special provisions.

Contractor's Initials: 

Date: 1/16/19

Appendix A
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean Contractor. "Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this Agreement shall mean the State of New Hampshire Department of Administrative Services Employee and Retiree Health Benefit Program. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

BUSINESS ASSOCIATE AGREEMENT

1. **Definitions**

- a. The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.
- b. All terms not otherwise defined herein shall have the same meaning as those set forth in the HIPAA Rules.

2. **Privacy and Security of Protected Health Information (PHI)**

a. **Permitted Uses and Disclosures**

- i. Business Associate shall not use, disclose, maintain or transmit PHI except as reasonably necessary to provide the services set forth in this Agreement or any agreement between the parties, or as required by law.
- ii. Business Associate is authorized to use PHI to de-identify the information in accordance with 45 CFR 164.514(a)-(c). Business Associate shall de-identify the PHI in a manner consistent with HIPAA Rules. Uses and disclosures of the de-identified information shall be limited to those consistent with the provisions of this Agreement and/or the HIPAA Rules.
- iii. Business Associate may use PHI as necessary to perform data aggregation services, and to create Summary Health Information and/or Limited Data Sets. Contractor shall use appropriate safeguards to prevent use or disclosure of the information other than as provided for herein, shall ensure that any agents or subcontractors to whom it provides such information agree to the same restrictions and conditions that apply to Contractor, and not identify the Summary Health Information and/or Limited Data Sets or contact the individuals other than for the management, operation and administration of the Plan.

Contractor's Initials: SLA
Date: AKI

- iv. Business Associate may use and disclose PHI (a) for the management, operation and administration of the Plan, (b) for the services set forth in the Agreement, which include (but are not limited to) benefits consulting and actuarial services and (c) as otherwise required to perform its obligations under this Agreement, or any other agreement between the parties provided that such use or disclosure would not violate the HIPAA Regulations.
 - v. Business Associate may disclose, in conformance with the HIPAA Rules, PHI to make disclosures of De-Identified Health Information, Limited Data Sets, and Summary Health Information. Contractor shall use appropriate safeguards to prevent use or disclosure of the information other than as provided for herein, ensure that any agents or subcontractors to whom it provides such information agree to the same restrictions and conditions that apply to Contractor, and not identify the De-Identified Health Information, Summary Health Information and/or Limited Data Sets or contact the individuals. Business Associate may also disclose, in conformance with the HIPAA Regulations, PHI to Health Care Providers for permitted purposes including health care operations.
 - vi. Business Associate may use or disclose PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of Business Associate. To the extent Business Associate discloses PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (a) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (b) an agreement from such third party to notify Business Associate of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
 - vii. Business Associate may use and disclose PHI for purposes of data aggregation services relating to the health care operations of Covered Entity. To the extent practicable, Business Associate shall not, unless such disclosure is reasonably necessary to provide services outlined in the Agreement, disclose any PHI in response to a request for disclosure on the basis it is required by law without first notifying Covered Entity. In the event Covered Entity objects to the disclosure it shall seek the appropriate relief and the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
- b. **Minimum Necessary.** Business Associate will, in its performance of the functions, activities, services, and operations specified above, make reasonable efforts to use, to disclose, and to request only the minimum amount of PHI reasonably necessary to accomplish the intended purpose of the use, disclosure, or request, except that Business Associate will not be obligated to comply with this minimum-necessary limitation if neither Business Associate or Covered Entity is required to limit its use, disclosure, or request to the minimum necessary under the HIPAA Rules. Business Associate and Covered Entity acknowledge that the phrase "minimum necessary" shall be interpreted in accordance with the HITECH Act and the HIPAA Rules.
- c. **Prohibition on Unauthorized Use or Disclosure.** Business Associate may not use or disclose PHI except (1) as permitted or required by this Agreement, or any other agreement between the parties, (2) as permitted in writing by Covered Entity, or (3) as authorized by the individual or (4) as Required by Law. This agreement does not authorize Business Associate to use or disclose Covered Entity's PHI in a manner that would violate the HIPAA Rules if done by Covered Entity, except as permitted for Business

Contractor's Initials: 
Date: 

Associate's proper management and administration or to provide data aggregation services as described herein.

3. Information Safeguards:

- a. **Privacy of Protected Health Information.** Business Associate will develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards to protect the privacy of PHI. The safeguards must reasonably protect PHI from any intentional or unintentional use or disclosure in violation of the Privacy Rule and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this Agreement. To the extent the parties agree that the Business Associate will carry out directly one or more of Covered Entity's obligations under the Privacy Rule, the Business Associate will comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligations.
- b. **Security of Covered Entity's Electronic Protected Health Information.** Business Associate will comply with the Security Rule and will use appropriate administrative, technical and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that Business Associate creates, receives, maintains or transmits on Covered Entity's behalf.
- c. **No Transfer of PHI Outside United States.** Business Associate will not transfer PHI outside the United States without the prior written consent of the Covered Entity. In this context a "transfer" outside the United States occurs if Business Associate's workforce members, agents, or Subcontractors physically located outside the United States, store, copy or disclose PHI.
- d. **Subcontractors.** Business Associate will require each of its Subcontractors to agree, in a written agreement with Business Associate, to comply with the provisions of the Security Rule; to appropriately safeguard PHI created, received, maintained, or transmitted on behalf of the Business Associate; and to apply equivalent restrictions and conditions that apply to the Business Associate with respect to such PHI.
- e. **Prohibition on Sale of Protected Health Information.** Business Associate shall not engage in any sale (as defined in the HIPAA rules) of PHI.
- f. **Prohibition on Use or Disclosure of Genetic Information.** Business Associate shall not use or disclose Genetic Information for underwriting purposes in violation of the HIPAA rules.
- g. **Penalties for Noncompliance.** Business Associate acknowledges that it is subject to civil and criminal enforcement for failure to comply with the HIPAA Rules, to the extent provided with the HITECH Act and the HIPAA Rules.

4. Compliance With Electronic Transactions Rule

- a. If Business Associate conducts in whole or part electronic Transactions on behalf of Covered Entity for which HHS has established standards, Business Associate will comply, and will require any Subcontractor it involves with the conduct of such Transactions to comply, with

Contractor's Initials: See
Date: 11/11/13

each applicable requirement of the Electronic Transactions Rule and of any operating rules adopted by HHS with respect to Transactions.

5. Individual Rights and PHI

a. Access

- i. If applicable under the Agreement, Business Associate shall respond to an individual's request for access to his or her PHI as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with regard to PHI that Business Associate and/or its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity by individuals to invoke a right of access under the HIPAA Privacy Regulation. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate shall make available to Covered Entity, or at Covered Entity's direction to the individual (or the individual's personal representative), any PHI about the individual created or received for or from Covered Entity in the control of Business Associate's and/or its Subcontractors for inspection and obtaining copies so that Covered Entity may meet its access obligations under 45 CFR 164.524, and, where applicable, the HITECH Act. Business Associate shall make such information available in an electronic format where required by the HITECH Act.

b. Amendment

- i. If applicable under the Agreement, Business Associate shall respond to an individual's request to amend his or her PHI as part of Business Associate's normal customer service functions, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity to invoke a right to amend under the HIPAA Privacy Regulation. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate shall amend any portion of the PHI created or received for or from Covered Entity in the custody or control of Business Associate and/or its Subcontractors so that Covered Entity may meet its amendment obligations under 45 CFR 164.526.

c. Disclosure Accounting

Contractor's Initials: *SM*
Date: *11/12/15*

- i. If applicable under the Agreement, Business Associate shall respond to an individual's request for an accounting of disclosures of his or her PHI as part of Business Associate's normal customer service function, if the request is communicated to the Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to a request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity by individuals or their personal representatives to invoke a right to an accounting of disclosures under the HIPAA Privacy Regulation by performing the following functions so that Covered Entity may meet its disclosure accounting obligation under 45 CFR 164.528:
- iii. Disclosure Tracking. Business Associate shall record each disclosure that Business Associate makes of individuals' PHI, which is not excepted from disclosure accounting under 45 CFR 164.528(a)(1).
- iv. Disclosure Information. The information about each disclosure that Business Associate must record ("Disclosure Information") is (a) the disclosure date, (b) the name and (if known) address of the person or entity to whom Business Associate made the disclosure, (c) a brief description of the PHI disclosed, and (d) a brief statement of the purpose of the disclosure or a copy of any written request for disclosure under 45 Code of Federal Regulations §164.502(a)(2)(ii) or §164.512. Disclosure Information also includes any information required to be provided by the HITECH Act.
- v. Repetitive Disclosures. For repetitive disclosures of individuals' PHI that Business Associate makes for a single purpose to the same person or entity (including to Covered Entity or Employer), Business Associate may record (a) the Disclosure Information for the first of these repetitive disclosures, (b) the frequency, periodicity or number of these repetitive disclosures, and (c) the date of the last of these repetitive disclosures.
- vi. Exceptions from Disclosure Tracking. Business Associate will not be obligated to record Disclosure Information or otherwise account for disclosures of PHI if Covered Entity need not account for such disclosures under the HIPAA Rules.
- vii. Disclosure Tracking Time Periods. Unless otherwise provided by the HITECH Act and/or any accompanying regulations, Business Associate shall have available for Covered Entity the Disclosure Information required by Section 3.j.iii.2 above for the six (6) years immediately preceding the date of Covered Entity's request for the Disclosure Information.

d. Confidential Communications

- i. If applicable under the Agreement, Business Associate shall respond to an individual's request for a confidential communication as part of Business Associate's normal

Contractor's Initials: *SAL*
 Date: *1/1/19*

customer service function, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation. If an individual's request, made to Business Associate, extends beyond information held by Business Associate or Business Associate's Subcontractors, Business Associate shall refer individual to Covered Entity. Business Associate assumes no obligation to coordinate any request for a confidential communication of PHI maintained by other business associates of Covered Entity.

- ii. In addition, Business Associate shall assist Covered Entity in responding to requests to it by individuals (or their personal representatives) to invoke a right of confidential communication under the HIPAA Privacy Regulation. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate will begin to send all communications of PHI directed to the individual to the identified alternate address so that Covered Entity may meet its access obligations under 45 CFR 164.524.


e. **Restrictions**

- i. Business Associate shall respond to an individual's request for a restriction as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual (or the individual's personal representative). Business Associate shall respond to the request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall promptly, upon receipt of notice from Covered Entity, restrict the use or disclosure of individuals' PHI, provided the Business Associate has agreed to such a restriction. Covered Entity agrees that it will not commit Business Associate to any restriction on the use or disclosure of individuals' PHI for treatment, payment or health care operations without Business Associate's prior written approval.

6. **Breach**

- a. Business Associate shall report to Covered Entity, in writing including e-mail, any use or disclosure of PHI in violation of the Agreement promptly upon discovery of such incident, including any Security Incident involving PHI, ePHI, or Unsecured PHI as required by 45 CFR 164.410. Such report shall not include instances where Business Associate inadvertently misroutes PHI to a provider, as long as the disclosure is not a Breach as defined under 45 CFR §164.402. The parties acknowledge and agree that attempted but Unsuccessful Security Incidents (as defined below) that occur on a daily basis will not be reported. "Unsuccessful Security Incidents" shall include, but not be limited to, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI.

Contractor's Initials: 

Date: 

- b. Business Associate shall report a Breach to Covered Entity upon discovery of any such incident as provided for at 45 CFR 164.410. Business Associate will treat a Breach as being discovered as of the first day on which such incident is known to Business Associate, or by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a if such incident is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer or other agent of Business Associate. If a delay is requested by a law-enforcement official in accordance with 45 CFR § 164.412, Business Associate may delay notifying Covered Entity for the applicable time period. Business Associate's report will include at least the following, provided that absence of any information will not be cause for Business Associate to delay the report:
- i. Identify the nature of the Breach, which will include a brief description of what happened, including the date of any Breach and the date of the discovery of any Breach;
 - ii. Identify the scope of the Breach, including the number of Covered Entity members involved as well as the number of other individuals involved;
 - iii. Identify the types of PHI that were involved in the Breach (such as whether full name, Social Security number, date of birth, home address, account number, diagnosis, or other information were involved);
 - iv. Identify who made the non-permitted use or disclosure and who received the non-permitted disclosure;
 - v. Identify what corrective or investigational action Business Associate took or will take to prevent further non-permitted uses or disclosures, to mitigate harmful effects, and to protect against any further Breaches;
 - vi. Identify what steps the individuals who were subject to a Breach should take to protect themselves;
 - vii. Provide such other information as Covered Entity may reasonably request;
- c. Security Incident. Business Associate will promptly upon discovery of such incident report to Covered Entity any Security Incident of which Business Associate becomes aware. Business Associate will treat a Security Incident as being discovered as of the first day on which such incident is known to Business Associate, or by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Security Incident if such incident is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Security Incident, who is an employee, officer or other agent of Business Associate. If any such Security Incident resulted in a disclosure not permitted by this Agreement or Breach of Unsecured PHI, Business Associate will make the report in accordance with the provisions set forth above.

Contractor's Initials: *SAE*
Date: *11/16/19*

- d. **Mitigation.** Business Associate shall mitigate, to the extent practicable, any harmful effect known to the Business Associate resulting from a use or disclosure in violation of this Agreement.
- e. **Breach Notification to Third Parties.** Business Associate will handle breach notifications to individuals, the United States Department of Health and Human Services Office for Civil Rights, and, where applicable, the media. Should such notification be necessary, Business Associate will ensure that Covered Entity will receive notice of the breach prior to such incident being reported.

7. Term and Termination

- a. The term of this Agreement shall be effective and terminate pursuant to Section 1 ("Effective Date and Termination") of this agreement or on the date covered entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.
- b. In addition to general provision #10 of this Agreement the Covered Entity may, as soon as administratively feasible, terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of this Business Associate Agreement. Prior to terminating the Agreement, the Covered Entity may provide an opportunity for Business Associate to cure the alleged breach within a reasonable timeframe proposed by Business Associate. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity may report the violation to the Secretary.
- c. Upon termination of this Agreement for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained or received by Business Associate on behalf of Covered Entity, shall:
 - i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - ii. Destroy, in accordance with applicable law and Business Associate's record retention policy that it applies to similar records, the remaining PHI that Business Associate still maintains in any form;
 - iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains the PHI;
 - iv. Not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out in this Agreement which applied prior to termination; and
 - v. Destroy in accordance with applicable law and Business Associate's record retention policy that it applies to similar records, the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

Contractor's Initials: *SK*
Date: *11/15/15*

- d. The above provisions shall apply to PHI that is in the possession of any Subcontractors of Business Associate. Further Business Associate shall require any such Subcontractor to certify to Business Associate that it has returned or destroyed all such information which could be returned or destroyed.
- e. Business Associate's obligations under this Section 7.c. shall survive the termination or other conclusion of this Agreement.

8. Covered Entity's Responsibilities

- a. Covered Entity shall be responsible for the preparation of its Notice of Privacy Practices ("NPP"). To facilitate this preparation, upon Covered Entity's request, Business Associate will provide Covered Entity with its NPP that Covered Entity may use as the basis for its own NPP. Covered Entity will be solely responsible for the review and approval of the content of its NPP, including whether its content accurately reflects Covered Entity's privacy policies and practices, as well as its compliance with the requirements of 45 C.F.R. § 164.520. Unless advance written approval is obtained from Business Associate, Covered Entity shall not create any NPP that imposes obligations on Business Associate that are in addition to or that are inconsistent with the HIPAA Rules.
- b. Covered Entity shall bear full responsibility for distributing its own NPP.
- c. Covered Entity shall notify Business Associate of any change(s) in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such change(s) may affect Business Associate's use or disclosure of such PHI.
- d. Covered Entity shall not request Business Associate to use or disclose Covered Entity's PHI in a manner that would violate the HIPAA Rules if done by Covered Entity, except as permitted for Business Associate's proper management and administration or to provide data aggregation services to the Covered Entity as described herein.

9. Miscellaneous


- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the HIPAA Rules as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take action to amend the Agreement as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law.
- c. **Business Associate shall make available all of its internal practices, policies and procedures, books, records and agreements relating to its use and disclosure of Protected Health Information to the United States Department of Health and Human Services as necessary, to determine compliance with the HIPAA Rules and with this Business Associate Agreement.**
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be interpreted to permit compliance with the HIPAA Rules.

Contractor's Initials: *SAL*
Date: *6/6/15*


- e. Severability. If any term or condition of this Business Associate Agreement or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Business Associate Agreement are declared severable.
- f. Survival. Provisions in this Business Associate Agreement regarding the use and disclosure of PHI, return or destruction of PHI, confidential communications and restrictions shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Business Associate Agreement.

The State of New Hampshire Employee and
Retiree Health Benefit Program


Signature of Authorized Representative
CHARLES M. ARLINGHAUS
Name of Authorized Representative
COMMISSIONER
Title of Authorized Representative
11-7-19
Date

Contractor


Signature of Authorized Representative
STEPHEN L. KUHN
Name of Authorized Representative
VICE PRESIDENT
Title of Authorized Representative
11/6/2019
Date

Contractor's Initials: SAC
Date: 11/6/19

Appendix B

**Change Order No. _____
Contract for Consulting Services**

**State of New Hampshire
Contract for Health Benefit Consulting and Actuarial Services**

CHANGE ORDER REQUEST FORM

1. Requesting Party:

Name: State of NH
Company:
Telephone #:
Fax #:

Date Submitted:
Date Resubmitted:

2. Description of Change Order Request:

3. Completion Criteria:

4. Business Justification:

5. Deliverables:

6. Financial Impact (If any):

7. Impact of Request on Schedule (If any):

8. Payment Required (if any):

The State will be invoiced under the customary procedures.

Authorized Signor for Contractor
The Segal Company

Date: _____

I have reviewed the change order request and make the following recommendation:

Accept Reject Explanation:

Joyce Pitman, Director of Risk and Benefits
Contracting Officer for State Agency

Date: _____

Contractor's Initials: *JS*
Date: *1/2/13*

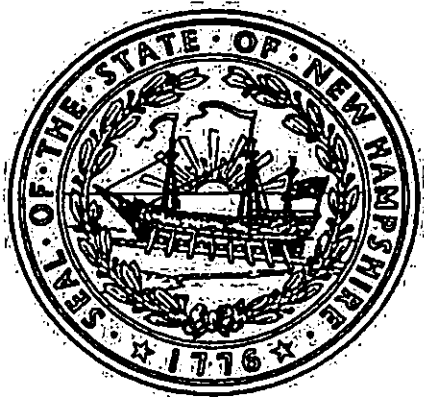
State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE SEGAL COMPANY (EASTERN STATES), INC. is a New York Profit Corporation registered to transact business in New Hampshire on August 10, 2004. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 481832

Certificate Number: 0004614152



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 4th day of November A.D. 2019.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State



THE SEGAL COMPANY (EASTERN STATES), INC.

CORPORATE RESOLUTION CERTIFICATION

I Ricardo M. DiBartolo, Treasurer of The Segal Company (Eastern States), Inc. a Corporation duly organized and operating under the laws of New York

DO HEREBY CERTIFY that a Unanimous Written Consent dated November 29, 2006 was signed, which gives the Corporate Secretary and/or the Treasurer authority to certify, on behalf of the Board of Directors, that officers of The Segal Company (Eastern States), Inc. may execute proposals, agreements, and other legal documents.

I further CERTIFY that such Resolution has not been modified, rescinded or revoked since the date on which it was enacted, and it is at present in full force and effect:

I further CERTIFY that Stephen Kuhn, Vice President

is empowered to execute and deliver in the name and on behalf of this Corporation contracts, bids and other documents to the State of New Hampshire and to bind the Corporation to such contracts, bids and other documents.

IN WITNESS WHEREFORE, the undersigned has affixed his/her signature and the Corporate Seal of the Corporation, this 6th day of November, 2019.

Ricardo M. DiBartolo, Senior Vice President, Chief Financial Officer and Treasurer

SIGNATURE OF TREASURER

Corporate Seal



SEGACOM-01

ALYSON STRUCK

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/21/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER NFP Property & Casualty Services, Inc. 45 Executive Drive Plainville, NY 11803	CONTACT NAME	
	PHONE (A/C, No, Ext): (516) 327-2700	FAX (A/C, No):
	EMAIL ADDRESS	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Federal Insurance Company	20281
	INSURER B: Pacific Indemnity Company	20346
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

INSURED
The Segal Company (Eastern States), Inc.
116 Huntington Ave
Boston, MA 02116

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSTR	TYPE OF INSURANCE	ADDITIONAL INSURED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		36038114	2/28/2019	2/28/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-SUBJECT <input checked="" type="checkbox"/> LOC OTHER:					COMBINED SINGLE LIMIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					EACH OCCURRENCE \$ AGGREGATE \$
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR CLAIMS-MADE DED \$ RETENTION \$					
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	71738381	2/28/2019	2/28/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ 1,000,000 EL DISEASE - EA EMPLOYEE \$ 1,000,000 EL DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
State of New Hampshire is included as an Additional Insured ATIMA where required by written contract.

CERTIFICATE HOLDER:

State of New Hampshire
C/O Ryan Aubert, Administrative Services
New Hampshire Bureau of Purchase and Property
25 Capitol Street
Concord, NH 03301-6312

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Allyson Struck