SPECIAL MEETING OF THE BARTLESVILLE CITY COUNCIL

Monday, May 16, 2016
at 7 p.m.

City Hall, Council Chambers
401 S. Johnstone Avenue
Bartlesville, OK 74003

Mayor Tom Gorman
918-338-4282

ADDENDUM TO THE AGENDA

6. Consent Docket

c. Approval of Agreement

ii. Approval of a quote from QBE Insurance Corporation for reinsurance services for the City of Bartlesville's health insurance plan.

The Addendum to the Agenda was received and filed in the Office of the City Clerk and posted in prominent public view at City Hall at 1:30 p.m. on Friday, May 13, 2016.

Michael Bailey, City Clerk
Administrative Director/CFO

All discussion items are subject to possible action by the City Council. Agenda items requiring a public hearing as required by law will be so noted. The City Council may at their discretion change the order of the business agenda items. City of Bartlesville encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least one working day prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive this rule if signing is not the necessary accommodation.

QBE A&H

Group:	**City of Bartlesville**		
Proposal:	**05/12/2016**	Valid Thru:	**07/10/2016**
Effective:	**07/01/2016**	Expiration:	**06/30/2017**
Underwriter:	**Jonathan Nanson**		
Issuing Carrier: **QBE Insurance Corporation**	Email:	**Jonathan.Nanson@us.qbe.com**	
		Proposal #:	**118582**

INDIVIDUAL EXCESS LOSS COVERAGE

☒ Specific Advancement		Option 1
Coverages		**Medical, Rx Card**
Contract Type		**18/12**
Annual Specific Deductible per Individual		$ **90,000**
Annual Maximum		**Unlimited**
Lifetime Maximum		**Unlimited**
Rate Per Month	Enrollment	
Single	**127**	$ **48.95**
Family	**142**	$ **122.25**
Composite	**269**	$ **87.64**
Estimated Monthly Premium		$ **23,576**
Estimated Annual Premium		$ **282,914**
Rate(s) includes Commissions of		**0.00%**

AGGREGATE EXCESS LOSS COVERAGE

☐ Aggregate Advancement		Option 1
Coverages		**Medical, Rx Card**
Contract Type		**18/12**
Loss Limit per Individual		$ **90,000**
Maximum Annual Reimbursement		$ **1,000,000**
Rate Per Month	Enrollment	
Composite	**269**	$ **4.35**
Combined Gross Monthly Rate		$ **4.35**
Estimated Annual Premium		$ **14,042**
Rate(s) includes Commissions of		**0.00%**
Annual Aggregate Deductible		$ **2,753,808**
Minimum Aggregate Deductible		$ **2,753,808**
Run In / Out Limited To		$ **495,685**
Monthly Aggregate Claim Factors	Enrollment	
Medical, Rx Card		
Single	**127**	$ **457.29**
Family	**142**	$ **1,207.10**
Composite	**269**	$ **853.10**

This is a TENTATIVE quote based upon the information furnished in the Request for Proposal. Material deviations from any of the original information that was submitted to us may result in a change to the quoted Rates and/or Factors or withdrawal of the proposal. QBE A&H will not be bound by any typographical errors or omissions contained herein.

Quoted terms and conditions are subject to possible revision based upon receipt and review of the requirements listed below:

STANDARD CONDITIONS

Disclosure shall include the following:

Updated shock loss information to include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of 50% of the specific deductible and/or anyone who has exceeded a lifetime plan benefit of $500,000, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pended or denied for any reason. Known claimants currently under Case Management, regardless of claim dollar amount must be disclosed. Please refer to our Potentially Catastrophic Loss List (found on our website at www.qbeah.com), which provides examples of some, but not all, types of shock losses.

A completed and signed Plan Sponsor Disclosure Statement is required on new accounts.

Final paid claims and enrollment through the effective date.

A complete copy of the Policyholder's Plan Document including all current Plan Amendments to confirm that the document is reflective of the Schedule of Benefits submitted during the underwriting process and contains QBE A&H's MINIMUM Plan Document assumptions.

The selected TPA assigned to administer all claims. The TPA is subject to approval by QBE A&H.

A complete census clearly illustrating all Cobra and/or Retirees to be covered. If they are not indicated on the census, the proposal assumes there are none covered under the plan. If retirees are eligible, this must be clearly stated in the RFP submission.

Final Rates and Factors will be based upon the actual enrollment census as of the requested Effective Date. In the event there is a greater than 10% change in enrollment between the submitted initial enrollment date and the final enrollment data, rates and factors may be recalculated.

A minimum participation level of 75% of all eligible employees is required unless otherwise noted.

ADDITIONAL CONDITIONS SPECIALLY PREPARED FOR: CITY OF BARTLESVILLE

Quote assumes there are no ongoing medical conditions. Subject to receipt of detailed large claim information including diagnosis/prognosis.

Proposal is based on current benefits. Any changes to these benefits could result in Re-Underwriting.

Quote assumes the use of the following UR vendor: UMR.

Quote assumes the use of the following PPO vendor: Choice Plus.

Our rates/factors are firm, final, and locked-in with a commitment from the group by 5/19/2016. After this time we reserve the right to re-review updated claims.

Quote assumes the use of the following PPO Network(s): UHC - Choice Plus - OK - Tulsa, UHC - Choice Plus - KS - Topeka, UHC - Choice Plus - MO - Springfield, UHC - Choice Plus - TX - Houston.

Quote assumes the use of the following UR Vendors: UMR.

PROPOSAL ACCEPTANCE PROCEDURES

1. **Identify the option sold in the space provided below. Date and sign the proposal.**
2. **Satisfy all the terms and conditions of this proposal as listed above.**
3. **Submit completed and signed disclosure & binder premium.**

Initial next to the selected proposal option: Option 1

Specific _____

Aggregate _____

The Premium and Aggregate Deductible are based on the data submitted.

Date: _____ By: _____

Agent of Record or Administrator

This proposal expires if applications are not requested before the valid through date.

Premiums4Good

Building a brighter future together

At QBE, we are committed to aligning with our customers to support the communities where we live and work. To support that goal, we've introduced Premiums4Good, a global initiative that helps communities develop, grow and thrive. We're proud to expand this program to select Specialty lines of business in North America.

QBE's commitment is clear
In 2014, we became a signatory on the United Nations Principals for Responsible Investing initiative.

When policyholders pay their insurance premium, we typically invest that money in stocks or bonds until we need to access it to pay claims. Through our groundbreaking Premiums4Good initiative, we commit 5% of those premiums to investments with a social objective. Premiums4Good investments are made directly into projects that deliver benefits to communities or the environment, including social impact bonds and green bonds.

What does this mean for you, our insureds?

- 5% of policyholder premiums will be allocated toward environmental, social and governance (ESG) investments
- No premium impacts
- Annual updates on the types of ESG investments we've made which you can share with investors and policyholders

Making a difference

Social impact bonds provide funding for initiatives with directly observable social benefits. These include reducing homelessness, supporting youth mental illness programs and keeping families of hardship together while enhancing opportunities for children entering the foster care system.

For more information

For additional details on Premiums4Good, please contact your QBE representative.

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QBE Premiums4Good

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