



PROPOSAL FOR GROUP EXCESS LOSS INSURANCE

Proposal For
City of Orlando

Coverage Period
January 1, 2015 through December 31, 2015

Quote Expiration Date
January 1, 2015

Administrator
United Healthcare

Prepared by
Symetra Life Insurance Company
Murphy Head
3740 Davinci Court, Suite 350
Norcross, GA 30092

Date Prepared
November 13, 2014



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Bellevue, WA 98004
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CITY OF ORLANDO

INDIVIDUAL EXCESS LOSS COVERAGE

Coverages	Option 1		Option 2		Option 3	
	Medical, Rx Card		Medical, Rx Card		Medical, Rx Card	
Contract Type	PAID		PAID		PAID	
Annual Specific Deductible per Individual	\$	600,000	\$	650,000	\$	750,000
Aggr Spec Fixed Annual Liability	\$	150,000	\$	150,000	\$	100,000
Maximum Lifetime Reimbursement	Unlimited		Unlimited		Unlimited	
Maximum Policy Period Reimbursement	Unlimited		Unlimited		Unlimited	
Reimbursement Percentage	100%		100%		100%	
Quoted Rate Per Month	<u>Enrollment</u>					
Employee	2,729	\$ 4.18	\$ 3.72	\$ 3.39		
Employee Plus Spouse	675	\$ 8.32	\$ 7.41	\$ 6.76		
Employee Plus Child	524	\$ 7.37	\$ 6.55	\$ 5.98		
Family	662	\$ 12.50	\$ 11.12	\$ 10.16		
Composite	4,590	\$ 6.35	\$ 5.65	\$ 5.16		
Estimated Annual Premium	\$	349,921	\$ 311,367	\$ 284,085		
Quoted Rate(s) includes Commissions of	0.00%		0.00%		0.00%	

OVERALL COST SUMMARY

	Option 1		Option 2		Option 3	
Total Annual Fixed Costs	\$	349,921	\$	311,367	\$	284,085
Variable Costs	\$	0	\$	0	\$	0
Maximum Annual Liability	\$	349,921	\$	311,367	\$	284,085

CITY OF ORLANDO

INDIVIDUAL EXCESS LOSS COVERAGE

		Option 4	Option 5	Option 6
Coverages		Medical, Rx Card	Medical, Rx Card	Medical, Rx Card
Contract Type		PAID	PAID	PAID
Annual Specific Deductible per Individual		\$ 1,000,000	\$ 600,000	\$ 650,000
Aggr Spec Fixed Annual Liability		\$ 0	\$ 0	\$ 0
Maximum Lifetime Reimbursement		Unlimited	Unlimited	Unlimited
Maximum Policy Period Reimbursement		Unlimited	Unlimited	Unlimited
Reimbursement Percentage		100%	100%	100%
Quoted Rate Per Month	<u>Enrollment</u>			
Employee	2,729	\$ 2.82	\$ 5.97	\$ 5.51
Employee Plus Spouse	675	\$ 5.62	\$ 11.89	\$ 10.97
Employee Plus Child	524	\$ 4.97	\$ 10.52	\$ 9.71
Family	662	\$ 8.44	\$ 17.86	\$ 16.48
Composite	4,590	\$ 4.29	\$ 9.07	\$ 8.37
Estimated Annual Premium		\$ 236,170	\$ 499,844	\$ 461,272
Quoted Rate(s) includes Commissions of		0.00%	0.00%	0.00%

OVERALL COST SUMMARY

	Option 4	Option 5	Option 6
Total Annual Fixed Costs	\$ 236,170	\$ 499,844	\$ 461,272
Variable Costs	\$ 0	\$ 0	\$ 0
Maximum Annual Liability	\$ 236,170	\$ 499,844	\$ 461,272

CITY OF ORLANDO

		Option 7	
Coverages		Medical, Rx Card	
Contract Type			PAID
Annual Specific Deductible per Individual		\$	750,000
Aggr Spec Fixed Annual Liability		\$	0
Maximum Lifetime Reimbursement			Unlimited
Maximum Policy Period Reimbursement			Unlimited
Reimbursement Percentage			100%
Quoted Rate Per Month	<u>Enrollment</u>		
Employee	2,729	\$	4.59
Employee Plus Spouse	675	\$	9.14
Employee Plus Child	524	\$	8.09
Family	662	\$	13.74
Composite	4,590	\$	6.98
Estimated Annual Premium		\$	384,368
Quoted Rate(s) includes Commissions of			0.00%
		Option 7	
Total Annual Fixed Costs		\$	384,368
Variable Costs		\$	0
Maximum Annual Liability		\$	384,368

CITY OF ORLANDO

QUALIFICATIONS AND CONTINGENCIES

The terms of this offer are tentative and may change based on the receipt and review of the following information by Symetra. Except as provided below, all requested information must be received no later than 15 days after the proposed effective date of coverage; otherwise, we reserve the right to withdraw the proposed terms and return any premiums remitted.

Plan sponsor's Plan Document or Plan Document Amendment is due no later than 90 days after the proposed effective/renewal date of Excess Loss Insurance coverage. Symetra may withhold Policy reimbursement prior to the receipt and acceptance of the final signed Plan Document/ Plan Document Amendment, which Symetra will expect to clearly express the benefits promised, obligations under federal law, and generally recognized provisions concerning discretionary authority of the plan sponsor with respect to benefit claims and exclusions of experimental/investigational treatment, non-medically necessary treatment, and off-label drug use (to the extent permitted by law).

No special enrollment may occur following issuance of this Proposal.

Please provide a listing of individuals including primary diagnosis and total paid claims in regards to: any individuals that had previously met the underlying plan's maximum, and are now re-entering the plan because the annual or lifetime maximum has been increased as a result of the Patient Protection and Affordable Care Act (PPACA).

Please provide details on any individual who has been hospital confined for 30 days or more in the most recent 12 months or is currently on an organ transplant list.

- This proposal is based on the current plan of benefits and the United Healthcare Choice Plus Network.
- This quote is subject to standard Stop Loss policy provisions, limitations and exclusions.
- Network Fees are ineligible expenses.
- A minimum of 50 employees is required to be covered. If at the next renewal the enrollment is less than 50 lives, we reserve the right to decline to renew.
- Claims incurred that fall into the initial employer funded segment (HRA/HSA) of the plan and any subsequent employer funded rollover amounts from year to year will not be covered under the excess loss contract.
- Terms are subject to change if final enrollment varies by more than 10% from proposal assumptions. Current census must be received at least 14 days prior to the effective date.
- In the event of early termination (mid-policy period), Symetra will not provide coverage for run out claims.

Symetra Stop Loss, filed as the Group Excess Loss policy, is insured by Symetra Life Insurance Company located at 777 108th Avenue NE, Suite 1200, Bellevue, WA 98004 and is not available in any U.S. territory. Terms of this proposal may be subject to change. Rates and factors subject to attached Qualifications and Contingencies and Plan Document Assumptions.

- This proposal reflects the continuation of the current plan of benefits.

- Eligibility is assumed to be all full time employees as defined by the group's Plan Document.

- Retiree participation is limited to 20%. These rates and factors reflect the assumption that all retirees over the age of 65 are Medicare Primary

- COBRA participation is limited to 10% of the enrolled group.

- Plan must have utilization review and medical case management.

- The producer must be properly licensed and appointed.

- No producer has the authority to bind or modify the terms of this offer without the prior approval of Symetra Life Insurance Company.

- The Administrator must be approved by Symetra Life Insurance Company.

- **Symetra will agree to pay \$.35 per employee per month (for the 2015 Symetra Stop Loss Contract Year) of the "external stop loss reporting fee" charged to the City of Orlando by United Healthcare.**

Symetra Stop Loss, filed as the Group Excess Loss policy, is insured by Symetra Life Insurance Company located at 777 108th Avenue NE, Suite 1200, Bellevue, WA 98004 and is not available in any U.S. territory. Terms of this proposal may be subject to change. Rates and factors subject to attached Qualifications and Contingencies and Plan Document Assumptions.

**Plan Sponsor's Plan Document
Submission Requirements, Required Provisions & Minimum Standards
For Renewals**

Submission and Symetra Acceptance Required. As stated in Symetra's Renewal offer for Group Excess Loss Insurance, an Amended Plan Sponsor's Plan Document must be submitted to Symetra no later than 90 days after the renewal date of Excess Loss Insurance coverage. The Excess Loss Insurance policy ("Policy") requires that only eligible charges payable under the terms of the Plan Document as approved by Symetra will be covered expenses eligible for reimbursement under the Policy.

Symetra may withhold reimbursement of covered expenses prior to the receipt and acceptance of the final signed Plan Sponsor's revised Plan Document or amendment.

In reviewing the Plan Document or Amendment for acceptance, Symetra will consider whether the Plan Document or Amendment:

1. Contains basic contract elements for completeness and clarity (e.g., definitions, governing law).
2. Adequately addresses key plan components, including but not limited to eligibility rules, benefits promised, plan administration, discretionary language for court review of benefit claims, subrogation and coordination of benefits provisions.
3. Addresses the Plan's obligations under federal law, including
 - a. ERISA required provisions,
 - b. **PPACA required provisions;** or
 - c. **a statement of grandfathered status.**

Symetra will have no liability for reinsuring Plan Sponsor obligations that are not clearly stated in the Plan Document whether or not the Plan remains obligated in the absence of express inclusion. It is recommended that the Plan Document include express reference to other federal mandates and laws to which Plan is subject or a "conformity with law" provision.

4. Contains typical exclusions or limitations, including but not limited to:
 - a. Experimental/investigations treatment (except as required by PPACA),
 - b. Non-medically necessary treatment, and
 - c. Off-label drug use.

The absence of or inadequate treatment of these subjects in the Plan Document may result in a superseding provision in the Policy issued.

**Plan Sponsor's Plan Document
Submission Requirements, Required Provisions & Minimum Standards
For New Business**

Submission and Symetra Acceptance Required. As stated in Symetra's Proposal for Group Excess Loss Insurance, the Plan Sponsor's Plan Document must be submitted to Symetra no later than 90 days after the proposed effective date of Excess Loss Insurance coverage. The Excess Loss Insurance policy ("Policy") requires that only eligible charges payable under the terms of the Plan Document as approved by Symetra will be covered expenses eligible for reimbursement under the Policy.

Symetra may withhold reimbursement of covered expenses prior to the receipt and acceptance of the final signed Plan Sponsor's revised Plan Document or amendment.

No Policy will be issued until the Plan Document is received and approved by Symetra or a signed Confirmation of Medical Benefit Plan is submitted to Symetra by the prospective policyholder.

In reviewing the Plan Document for acceptance, Symetra will consider whether the Plan Document:

1. Contains basic contract elements for completeness and clarity (e.g., definitions, governing law).
2. Adequately addresses key plan components, including but not limited to eligibility rules, benefits promised, plan administration, discretionary language for court review of benefit claims, subrogation and coordination of benefits provisions.
3. Addresses the Plan's obligations under federal law, including
 - a. ERISA required provisions,
 - b. **PPACA required provisions;** or
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4. Contains typical exclusions or limitations, including but not limited to:
 - a. Experimental/investigations treatment (except as required by PPACA),
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