



# Request for Proposals for Broker / Third Party Administrator

TOWN OF BEECH MOUNTAIN

2/9/2018

# REQUEST FOR PROPOSALS FOR BROKER / THIRD PARTY ADMINISTRATOR

Title: Town of Beech Mountain Health and Welfare Plan Coverage for 2018

Issue Date: February 9th, 2018

Due Date/Time: March 9th, 2018 / 3:00 p.m.

## **Purpose of Request for Proposal**

The purpose of this Request for Proposal (RFP) is to solicit offers from qualified Brokers/Third Party Administrators to assist the Town of Beech Mountain with strategically planning, designing and negotiating the best coverage and cost for selective employee benefit programs. The Town has approximately **55 fully benefited full-time employees, each participating in the benefit program.** The Town of Beech Mountain is constantly competing to recruit and retain the best employees possible. Our leadership is looking to ensure we have financially competitive and affordable benefit programs to offer our employees.

Currently the Town of Beech Mountain offers its employees and designated dependents a Self-Insured Group PPO Health and Welfare Plan that includes medical, hospital, mental health, substance abuse, and prescription drug benefits. The town offers its employees and designated dependents a Flexible Compensation Plan (FSA) to include; Medical or Medical-related Expense Reimbursement Plans and Dependent Care Assistance Plans with the Group PPO Health and Welfare Plan Third Party Administrator appointed as the Administrative Agent of the Plan. The town also offers its employees and designated dependents a Dental Plan with the Group PPO Health and Welfare Plan Third Party Administrator functioning as the Business Associate to the Plan.

Additional employee benefits include a Vision Plan that is available to Beech Mountain's employees and designated dependents and employer-paid life insurance, accidental death & dismemberment, and short-term disability.

This is a request for offers to administer the town's health plan including the solicitation of packaged benefit products to mirror or enhance current benefits offered.

### **Details of Proposal Submission**

Sealed Proposals, subject to the conditions made a part hereof, will be accepted until **3:00 pm, Friday, March 9th, 2018** for furnishing services described herein. Late proposals will not be considered for award. A *tentative* timeline is provided below:

<b>Date</b>	<b>Event</b>
9 February, 2018	Distribution of RFP
23 February, 2018	Addenda Requests and Questions Due
2 March, 2018	Responses to Addenda Requests and Questions
9 March, 2018	Proposals delivered by 3:00 pm
16 March, 2018	Notification of Finalist
23 March, 2018	Finalist Interviewed
10 April, 2018	Presentation of RFP's to Town Council
24 April, 2018	Proposal to Town Council for Selection
25 Apr, 2018	Proposed Award Notification
1 May, 2018	Contract Effective Date
1 July, 2018 – 30 June, 2019	Plan Year

**IMPORTANT NOTE:** Indicate firm name and the words “**Broker / TPA Request**” on the front of each sealed proposal envelope or package.

Proposals may be mailed, sent by private carrier or delivered in person during normal business hours, 8:00 am – 5:00 pm, Monday through Friday. **Six (6) copies of the proposal must be received from each bidder (1 original, 5 copies).** Electronically submitted (email/fax) proposals will not be accepted.

**Proposals will be submitted in two sections.** Section I will be comprised of experience and qualifications. The Town will evaluate Section I as outlined in the “Criteria for Evaluation” of this RFP. The top firms from Section I will have their Section II opened and evaluated. Section II will be comprised of the costs and should be in a *separate clearly marked sealed envelope*.

Firms should have no contact with elected or appointed officials during this selection process. Any such contact will subject the firm to immediate disqualification. Direct all inquiries concerning this RFP to:

TIM HOLLOMAN, TOWN MANAGER  
TOWN OF BEECH MOUNTAIN  
403 BEECH MOUNTAIN PARKWAY BEECH MOUNTAIN, NC 28604  
EMAIL: [MANAGER@TOWNOFBEECHMOUNTAIN.COM](mailto:MANAGER@TOWNOFBEECHMOUNTAIN.COM)

**Note: Questions concerning the RFP requirements must be submitted in writing (by mail or e-mail) to the above mailing or email address.**

**Questions must be submitted no later than 3:00 pm on Tuesday, February 23, 2018.** All questions submitted in writing will be answered in the form of an addendum to this RFP.

**Note: The Town of Beech Mountain reserves the right to amend these requirements, reject any and all proposals, and is not bound to the lowest bidder. The right is reserved to accept the response that the Town determines to be in the best interest of the Town and its employees. Proposals must be submitted in accordance with the requirements of the RFP. Failure to include any required information may cause rejection of the proposal.**

### **Finalist Presentations**

During the evaluation process, the Town of Beech Mountain may, at its discretion, request any one or all brokers/third party administrators to make oral presentations for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, brokers/third party administrators are cautioned that the Town of Beech Mountain is not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the broker/third part administrator. Not all bidders may be asked to make such oral presentations.

### **Contract Period**

Any contract resulting from this proposal shall be effective May 1, 2018 for the benefits plan year beginning July 1, 2018 with the option of the Town to continue services under the same terms and conditions set forth herein for an additional 3 plan years. The contract will be subject to termination for cause or convenience by the Town with written notice thirty (30) days prior to effective date. The Contractor will give the Town written notice of its intention to terminate the contract, or not to renew the contract, at least sixty (60) days prior to the proposed termination date or renewal date of the contract.

### **E-Verify Compliance**

By submission of this proposal, the potential contractor certifies that it and any subcontractors comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

### **Background**

The Town currently provides a comprehensive benefit program for its employees including the following plans with one hundred percent employer contributions for employees and shared costs for designated dependents:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Prescription Benefits

and the following benefits with one hundred percent employer contribution for employee:

- Life Insurance
- Short-term Disability

and the following optional benefits with no employer contributions:

- Accident Insurance
- Long-term Disability
- Life Insurance (various products)

The Town's health plan year is July 1<sup>st</sup> to June 30<sup>th</sup>. Employees participate in an annual open enrollment process no later than June 5<sup>th</sup>, prior to July 1 benefit renewal. The Town's medical insurance is currently administered by CIGNA. It is a self-insured plan that includes medical, hospital, mental health, substance abuse, and prescription benefits. All full-time employees are eligible to enroll in the Town-paid health benefits. The benefits are provided for the employee at minimal cost. Voluntary benefits are available to full-time employee, as well.

### **Scope of Services**

The Town of Beech Mountain requires either a Third Party Administrator or a North Carolina licensed Broker who is independent and is not solely affiliated with one insurance company, or one provider network. The brokerage firm/third party administrator must have experience (no less than 8 years) in providing brokerage/third party administrative services in the public sector with groups having at least 50 plus employees. Preference given for experience in administration of self-insured plans. The Town of Beech Mountain requires the following services to include, but not limited to the following. Please note that some services have been identified specifically for Brokers or Third Party Administrators:

- **Broker** - Advice and assistance reviewing the various components of our benefits program including selection of a Broker/Third Party Administrator on a continuing basis to ensure that those plans are in compliance with federal and all current legal requirements, including Affordable Care Act (ACA). Recommend alternative benefit designs or delivery systems as dictated by emerging plan costs or benefit practices.
- **Third Party Administrator** - Advice and assistance reviewing the various components of our benefits program to ensure that those plans are in compliance with federal and all current legal requirements, including Affordable Care Act (ACA). Recommend alternative benefit designs or delivery systems as dictated by emerging plan costs or benefit practices.
- Audit resulting contracts for accuracy of coverage, terms and conditions.
- Assist with reviewing and reaffirming or changing the goals and objectives of the benefit design.
- Annual benefits renewals, including negotiation of changes in contracts.
- When employee benefits are marketed, prepare bid specifications, identify appropriate markets, analyze proposals submitted, make recommendations, and assist in negotiation of contracts, preferably multi-year.

- Annual reviews of selected employee benefit package for quality of benefits provided, cost effectiveness, competitiveness and plan administration.
- Monitor ongoing contracts, including provider plan administration, provider compliance with contract, and incurred claims.
- Monitor and provide information on employee benefit and issues, trends proposed or new legislation, and changes in tax laws specific to employee benefits.
- Advise and assist in establishment, review, and maintenance of appropriate contribution amounts for various coverage classes (employee coverage, family coverage, spousal coverage, dependent coverage, etc.)
- Provide monthly reports on the financial and claims experience, condition, and progress of plans. These reports are to be accessible to assigned town staff by electronic means (Excel).
- Be available to meet with the Benefits staff and Town management as needed. Participate when requested in communications and actions with the insurance and healthcare reimbursement carriers; and with boards or other independent bodies.
- Assist in the design of employee benefits communications. Participate in Benefit Fairs and annual enrollment process.
- Provide a key contact person to be available to answer questions and resolve issues that arise during the year regarding employee benefits, contract administration, and service provisions.
- Evaluate various insurance products submitted by carriers.
- Assist in implementation of Employee Wellness Program with proposed incentives and measurable objectives.
- Broker - Provide information on employee benefit issues, trends, and proposed or new legislation especially in regard to the ACA. Including completing and filing year end reporting for calendar year 2018 until end of contract.
- Provide information on employee benefit issues and trends, new legislation, and governmental mandates such as FMLA, COBRA, HIPAA, ADA, ACA, USERRA, etc.
- Perform actuarial services, including but not limited to annual cost projections, cost projections for plan modifications, determination of budget requirements, review of current rate structure, annual health care study of claims incurred but not reported

(IBNR), and ACA compliance.

- Provide open enrollment support including, but not limited to, developing timeline, assisting with the development of open enrollment materials, coordinating and participating in open enrollment meetings as reasonably requested
- Advise and assist the Town with required benefit plan communications to employees annually, as regulatory changes occur, and as other changes require. Participate in wellness fairs and the annual enrollment process.
- Provide such other services as requested by the Town for which the consultant has the technical capability and capacity to render.
- Attend meetings of the Town of Beech Mountain Board of Commissioners or with other Town staff as requested.
- Conditions to be accepted if any work is subcontracted. The proponent assumes full responsibility, including insurance and bonding requirements, for the quality and quantity of all work performed.
- Perform other related consultation services as needed or requested.

#### **Additional Services**

The Broker/ Third Party Administrator may be required to provide additional services at any time throughout the contract which are, at the sole discretion of the Town, over and above those included in the resulting contract. Fees for additional services shall be negotiated between the parties, however, they shall not be greater than those usual and customary fees charged for the same or similar services.

### **Vendor Proposal Requirements**

The proposal response must clearly demonstrate the required qualifications, expertise, competence, and capability of the vendor. Please provide a concise description of your firm's ability to provide the services required in the *Scope of Services* of this document. Costs incurred by firms responding to this RFP are solely their responsibility.

Vendors are required to prepare their proposals in accordance with the instructions outlined in this part and elsewhere in this RFP. In order to be eligible for consideration, the submitted proposal must include all of the following:

#### **Section I Envelope**

1. Cover letter stating intentions of the proposal
2. Table of Contents
3. Complete answers of all questions listed under *SECTION I*
4. A sample service agreement that includes a comprehensive listing of all services available as a result of the proposal
5. A sample copy of your HIPAA Business Associate Agreement

#### **Section II Envelope**

6. Cost and Fee Proposal including full disclosure of all fees and verification that all services provided therein are included in the final proposal cost.
7. Fully disclose all commissions, bonuses, or similar financial benefits earned from third parties as a direct or indirect result of the proposed agreement.

## SECTION I

**Include the answers to the following questions (address by number) in Section I submission.**

### Account Services

1. Describe your organizational structure (i.e. publicly held corporation, partnership, etc.). How long has your organization been providing administrative services for health and welfare plans?
2. Broker - Confirm that you are a licensed broker in North Carolina and provide documentation. Confirm that you serve as a broker, independently, and are not affiliated with any insurance company, third party administrative agency or provider network.
3. Any professional certifications or licenses that may be required will be the sole cost and responsibility of the successful proponent.
4. Provide the amount of professional liability or errors and omissions insurance currently carried by your company. Indicate if you have had any claims filed against you for errors and omissions in the last five years and provide a short description of such claims.
5. Briefly describe your company's organization, philosophy, management, and a brief company history. Describe your contractual relationships, if any, with organizations necessary to your proposal's implementation (i.e. actuarial, data information services).
6. How many clients does your organization presently have? Typically, how many clients does each account manager handle?
7. What is your average client size?
8. How many public sector clients do you manage? How many self-insured clients?
9. What is your average response time to questions posed from your clients? How do you handle follow-up to outstanding items? What is your preferred method of communicating with your clients (i.e. voicemail, e-mail, or fax)?
10. Please describe the organizational structure of the account managers who would provide services to the Town. Include a brief professional history for each individual and how they are qualified to provide services to the Town.
11. Briefly describe the level of service and support provided by your account managers on a day-to-day basis.
12. What steps does your organization take to ensure that each account manager is educated on current market trends and legislative developments including ACA requirements and year end reporting? How is this information communicated to your clients?

13. Describe how your firm ensures that vendors, third-party administrators and other service providers meet the HIPAA privacy and security requirements and how your firm assists clients in meeting the applicable requirements.

#### **Data Analysis and Strategic Planning**

14. Describe how you propose to build an understanding of the direction and priorities of the Town of Beech Mountain and how you would utilize this information to anticipate our needs in relation to benefits and plan development and in turn develop a strategic benefit plan.
15. Describe your organization's involvement in the annual renewal process. Include information regarding process timeframes, providing plan recommendations, negotiation of rates and vendor selection including TPA if your firm uses this type of service. Include how your company's experience and expertise would benefit the Town.
16. Describe how your organization strives to streamline benefit administration for your clients. Include any services you provide for automation of the benefit process (i.e. electronic capabilities – internet enrollment, web site for the Town of Beech Mountain employees to view their benefits, outsourcing options). Attach any associated costs for these services on a separate fee schedule.
17. Detail how you develop a benefit communication strategy with your clients. Include what tools or resources you have available to assist your clients in effectively communicating not only the specific plan details but also the value of the benefits offered?
18. Please provide a project plan including deliverables for the first year. Within your project plan describe how you propose to build an understanding of the direction and priorities of the Town of Beech Mountain and how you would utilize this information to anticipate our needs in relation to benefits and plan development and in turn develop a strategic benefit plan.

#### **Wellness Program**

19. What educational resources does your organization provide to assist your clients in educating and training their benefit staff and educating plan participants?
20. Describe how you work with clients in developing effective wellness strategies and programs that are integrated with the health benefit plan. Indicate if your firm has staff dedicated to working with clients on Wellness incentives.

#### **Other Services**

21. Please specify any services that would fall outside the scope (i.e. require outsourcing) of your proposed service plan, but would be available to the Town for an additional fee. Are there services that fall outside of the scope of the proposed service plan for which the cost would be paid by vendors or other parties-in-interest?

22. Provide any additional information regarding your organization or services that you feel would be beneficial in helping the Town to select a benefits broker/third party administrator.

**Plans**

23. Please provide your firm’s proposal for the following types of healthcare coverage:

- A. Self-Funded plan similar to that which the town currently has in place.  
See addendum for 2017-2018 Summary of Benefits
- B. Your alternative Self-Funded plan improving on the current.
- C. Traditional insurance coverage mirroring the employees responsibilities of the current plan
- D. Please provide the following plans:
  - **Plan D-1** – A Plan providing medium level employee out of pocket expense to include the parameters listed in Table 1 below.
  - **Plan D-2** – A Plan providing higher level employee out of pocket expense to include the parameters listed in Table 2 on the following page.
  - **Plan D-3, etc.** – Alternative Plan(s) with your professionally defined parameters that meet the needs of the employer and employee.

Table 1	
Overall deductible	Range: \$500 – \$750 – copays apply to deductible
Are there services covered before you meet your deductible?	Yes, preventive care is covered before you meet your deductible.
Are there other deductibles for specific services?	No, deductibles do not have to be met for specific services.
Copays	Office visits and urgent care \$20; hospital \$250; specialist \$40
What is the out-of-pocket limit for this plan?	Yes. \$3,500 person / \$3,500 family Network providers, \$3,500 person / \$3,500 family non-Network providers.
What is not included in the out-of-pocket limit?	Premiums, prior authorization and cost containment penalties, amounts over allowed amount, (balance-billed charges for non-Network providers) and health care this plan doesn't cover.

Table 2	
Overall deductible	Range: \$1,000 – \$1,500 – hospital copays do not apply to overall deductible
Are there services covered before you meet your deductible?	Yes, preventive care is covered before you meet your deductible.
Are there other deductibles for specific services?	No, deductibles do not have to be met for specific services.
Copays	Office visits and urgent care \$50; hospital \$500; specialist \$75
What is the out-of-pocket limit for this plan?	Yes. \$3,500 person / \$6,500 family Network providers, \$3,500 person / \$6,500 family non-Network providers.
What is not included in the out-of-pocket limit?	Premiums, prior authorization and cost containment penalties, amounts over allowed amount, (balance-billed charges for non-Network providers) and health care this plan does not cover.

24. Please complete the following charts in full identifying each line item as either (a) scheduled/ongoing, or (b) as requested (but not both) and provide additional fee amount, if applicable.

	Scheduled/ Ongoing	As Requested	Additional Fee and/or Frequency Limit
<b>New Client On-Boarding Process</b>			
Data collection, benefit plan overview, audit, etc.			
Baseline assessment			
<b>Strategic Planning</b>			
Executive management meetings and benefits philosophy development			
Multi-year strategy			
Benchmarking with peer group			
Specific recommendations to address utilization patterns			
Employee contribution strategies			
Development of prototype plan design options			
<b>Evaluation and Analysis</b>			
Examination of consumer directed healthcare and HDHP plan feasibility			
Evaluation of current and alternative networks (providers, claimants and dollars)			

	Scheduled/ Ongoing	As Requested	Additional Fee and/or Frequency Limit
Research, analyze and recommend business process outsourcing as appropriate (e.g., benefit administration, FMLA compliance)			
Evaluation of current and alternative vendor capabilities (all coverages)			
<b>Underwriting and Actuarial</b>			
Budget Development, Tracking, Variance Analysis			
Multi-year Cost Projections and Forecasting			
Large Claim Tracking			
Plan Design Change Modeling (incremental changes to current plans as well as translation models that allow conversion from one healthcare delivery system to another)			
Experience Monitoring, including:			
→ Trend Analysis			
→ Utilization Analysis			
→ Pharmacy Utilization Analysis			
→ Contributing Model			
→ Workforce demographic analysis and profiling			
Annual review of medical network usage			
<b>Renewals and RFPs</b>			
Insured Plan Renewal Negotiation			
Life and Disability RFP			
Dental RFP			
Vision RFP			
Cobra, etc. RFPs			
<b>Medical Director</b>			
Annual Utilization Review			
Center/Physicians of Excellence Consultation			
Large Claim Analysis			
Disease Management Vendor Analysis			
Wellness Vendor Analysis			
<b>Wellness</b>			
Development of wellness operating plan based on needs, vendor review and implementation support			
Initial evaluation and consult from Wellness Director			
Employee Wellness Survey			
Resource Toolkits			

	Scheduled/ Ongoing	As Requested	Additional Fee and/or Frequency Limit
<b>Compliance</b>			
Analysis and advice arising under Tax Code, COBRA, etc.			
Review of service agreements, contracts, and SPDs from vendors			
Update current certificates and plan documents			
Compliance management calendar			
E-mail news updates on relevant topics impacting health and welfare plans			
HIPAA privacy and security training and toolkit			
Signature-ready 5500s for Health and Welfare Plans			
Plan document preparation			
<b>Implementation and Communication</b>			
Ensure final plan parameters are executed in accordance with expectations			
Coordinate with vendor(s) on plan changes & implementation timelines			
Manage implementation of new medical vendor (if applicable)			
Develop and monitor implementation schedule with vendors			
Verify accuracy of ID cards and other employee materials			
Confirm plan data is configured properly for claim payment system			
Project management of all vendors involved in the production and distribution of open enrollment and other communication materials			
Assistance with monthly newsletter development and ongoing communication support based on our needs			
Branded annual enrollment guide and annual enrollment materials			
Enrollment meeting support during annual enrollment (locations to be determined)			
<b>Vendor Management and Day-to-Day Services</b>			
Issue tracking log			
Problem avoidance and resolution			
Claims advocacy and resolution			

	Scheduled/ Ongoing	As Requested	Additional Fee and/or Frequency Limit
Dedicated resource for ongoing claim issues and day to day administrative support			
Establish and monitor performance guarantee metrics			
Schedule and drive vendor meetings			
<b>Technology</b>			
Online resources through client specific portal for HR Department			
Prepare custom online surveys			

### **Criteria for Evaluation**

All proposals will be evaluated according to, but not necessarily limited to, the following:

- The proposal's Plan of Services as required in Scope of Services and Section I and Section II requirements.
- Extent and success of previous work provided to organizations similar in nature and size to those required herein.
- References provided verifying the required experience and level of service needed by the Town.
- The proposal itself as an example of the potential vendor's work.
- Qualifications/experience of key personnel to be assigned to the project.
- All required forms completed and returned as part of the proposal package.

## SECTION II

**Include the answers to the following questions (address by number) in Section II submission.**

### **Cost Proposal**

The cost proposal should outline and detail the fees for benefit third party administrative services as set forth in this RFP. Disclose all charges to be assessed to the Town for the Scope of Services. Include in your cost proposal a projected schedule of payment terms (i.e., monthly, quarterly, etc.).

If your firm works on a fee-only basis, include the proposed fixed annual fee along with a detailed description of the number of hours your firm believes necessary to complete the Scope of Services. Identify any services that would not be included in the fixed annual fee and the associated cost for those services.

In lieu of a fee-only basis, describe any other proposed fee structure on which you would be willing to provide consulting services, including how the compensation is determined and calculated. Itemize any service levels for which there would be an additional fee and describe how additional fees are calculated.

**References**

Proposals must list four (4) references for whom similar work has been performed during the past three (3) years.

<b>(1) CLIENT NAME</b>	
Address (Street)	
Address (City, St, Zip)	
Contact Name	
Telephone	
E-Mail	

<b>(2) CLIENT NAME</b>	
Address (Street)	
Address (City, St, Zip)	
Contact Name	
Telephone	
E-Mail	

<b>(3) CLIENT NAME</b>	
Address (Street)	
Address (City, St, Zip)	
Contact Name	
Telephone	
E-Mail	

<b>(4) CLIENT NAME</b>	
Address (Street)	
Address (City, St, Zip)	
Contact Name	
Telephone	
E-Mail	

**COMPLETE AND SUBMIT THIS PAGE AS PART OF YOUR PROPOSAL**

**COMPANY NAME:** \_\_\_\_\_

**EXECUTION OF PROPOSAL**

**DATE:** \_\_\_\_\_

The Vendor certifies the following:

1. That this proposal was signed by an authorized representative of the firm.
2. That the Vendor has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.
3. That all labor costs associated with this project have been determined, including all direct and indirect costs.
4. That the Vendor agrees to the conditions as set forth in this **Request for Proposal** with no exceptions.

**DISCLOSURE STATEMENT**

Vendor must disclose any possible conflict of interest with the Town of Beech Mountain, including, but not limited to, any relationship with any Town of Beech Mountain elected official or employee. Your response must disclose if a known relationship exists between any principal of your firm and any Town of Beech Mountain elected official or employee. If, to your knowledge, no relationship exists, this should also be stated in your response. Failure to disclose such a relationship may result in cancellation of a purchase and/or contract as a result of your response. This form must be completed and returned in order for your bid/proposal to be eligible for consideration.

**NO KNOWN RELATIONSHIP EXISTS** \_\_\_\_\_

**RELATIONSHIP EXISTS (Explain relationship)** \_\_\_\_\_

Therefore, in compliance with the foregoing **Request for Proposal**, and subject to all terms and conditions thereof, the undersigned offers and agrees, if this proposal is accepted within sixty (60) days from the date of the opening, to furnish the services for the prices quoted within the timeframe required.

<b>Vendor</b>		<b>Phone</b>	
<b>Address</b>		<b>Fax</b>	
<b>Email</b>			

**COMPLETE AND SUBMIT THIS PAGE AS PART OF YOUR PROPOSAL**

**I CERTIFY THAT:**

I am duly authorized to certify the information provided herein are accurate and true as of the date; and my organization shall comply with all State and Federal Equal Opportunity and Non-Discrimination requirements and conditions of employment.

\_\_\_\_\_  
Printed or Typed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

Federal Identification Number: \_\_\_\_\_



**ADDENDUM**

**SUMMARY OF BENEFITS**

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, [insert contact information]. For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms see the Glossary. You can view the Glossary at [www.\[insert\].com](#) or call 1-800-[insert] to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <a href="#">deductible</a> ?	\$0	See the chart titled Common Medical Event for your other costs for services this plan covers.
Are there services covered before you meet your <a href="#">deductible</a> ?	Yes. <a href="#">Preventive care</a> is covered before you meet your <a href="#">deductible</a> .	This <a href="#">plan</a> covers some items and services even if you haven't yet met the <a href="#">deductible</a> amount. But a <a href="#">copayment</a> or <a href="#">coinsurance</a> may apply. For example, this <a href="#">plan</a> covers certain <a href="#">preventive services</a> without <a href="#">cost-sharing</a> and before you meet your <a href="#">deductible</a> . See a list of covered <a href="#">preventive services</a> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <a href="#">deductibles</a> for specific services?	No.	You don't have to meet <a href="#">deductibles</a> for specific services, but see the chart titled Common Medical Event for other costs for services this plan covers.
What is the <a href="#">out-of-pocket limit</a> for this <a href="#">plan</a> ?	Yes. \$2,000 person / \$2,000 family Network providers, \$2,000 person / \$2,000 family non-Network providers.	The <a href="#">out-of-pocket limit</a> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the <a href="#">out-of-pocket limit</a> ?	Premiums, prior authorization and cost containment penalties, amounts over allowed amount, (balance-billed charges for non-Network providers) and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <a href="#">out-of-pocket limit</a> .
Will you pay less if you use a <a href="#">network provider</a> ?	Yes. For a list of Network Providers, see <a href="http://www.myCigna.com">www.myCigna.com</a> or call 704-525-9666.	This <a href="#">plan</a> uses a provider <a href="#">network</a> . You will pay less if you use a <a href="#">provider</a> in the plan's <a href="#">network</a> . You will pay the most if you use an <a href="#">out-of-network provider</a> , and you might receive a bill from a <a href="#">provider</a> for the difference between the provider's charge and what your <a href="#">plan</a> pays ( <a href="#">balance billing</a> ). Be aware, your <a href="#">network provider</a> might use an <a href="#">out-of-network provider</a> for some services (such as lab work). Check with your <a href="#">provider</a> before you get services.
Do you need a <a href="#">referral</a> to see a <a href="#">specialist</a> ?	No	None

 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Out-of-Network Provider (You will pay the most)	
If you visit a health care <a href="#">provider's</a> office or clinic	Primary care visit to treat an injury or illness	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	None
	<a href="#">Specialist</a> visit	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	<a href="#">Preauthorization</a> is required. If you don't get <a href="#">preauthorization</a> , benefits could be reduced by 50% of the total cost of the service.
	<a href="#">Preventive care/screening/immunization</a>	No charge	20% <a href="#">coinsurance</a>	You may have to pay for services that aren't <a href="#">preventive</a> . Ask your <a href="#">provider</a> if the services you need are preventive. Then check what your <a href="#">plan</a> will pay for.
If you have a test	<a href="#">Diagnostic test</a> (x-ray, blood work)	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	None
	Imaging (CT/PET scans, MRIs)	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	
If you need drugs to treat your illness or condition More information about <a href="#">prescription drug coverage</a> is available at <a href="#">www.[insert].com</a>	Generic drugs (Tier 1)	At Pharmacy: \$10 copay	Coverage for ingredient costs and dispensing fees only.	None
	Preferred brand drugs (Tier 2)	At Pharmacy: \$35 copay	Coverage for ingredient costs and dispensing fees only.	None
	Non-preferred brand drugs (Tier 3)	At Pharmacy: \$50 copay	Coverage for ingredient costs and dispensing fees only.	None
	<a href="#">Specialty drugs</a> (Tier 4)	At Pharmacy: \$50 copay, minimum – 25% coinsurance up to a max of \$100	Coverage for ingredient costs and dispensing fees only.	None
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	None
	Physician/surgeon fees	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	None
If you need immediate medical attention	<a href="#">Emergency room care</a>	20% coinsurance.	20% coinsurance.	Deductible applies for Non-Emergency
	<a href="#">Emergency medical transportation</a>	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Out-of-Network Provider (You will pay the most)	
	<a href="#">Urgent care</a>	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	Precertification is required. Penalties for failure to get precertification: benefit payments reduced by \$250
	Physician/surgeon fees	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	None
	Inpatient services	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	Precertification is required. Penalties for failure to get precertification: benefit payments reduced by \$250
If you are pregnant	Office visits	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	Coverage for dependents other than spouse excluded.
	Childbirth/delivery professional services	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	
	Childbirth/delivery facility services	20% <a href="#">coinsurance</a>	20% <a href="#">coinsurance</a>	
If you need help recovering or have other special health needs	<a href="#">Home health care</a>	20% coinsurance	20% <a href="#">coinsurance</a>	None
	<a href="#">Rehabilitation services</a>	Occupational Therapy: 20% coinsurance <b>OR</b> Speech Therapy: 20% coinsurance <b>OR</b> Physical Therapy: 20% coinsurance	20% <a href="#">coinsurance</a>	None.
	<a href="#">Habilitation services</a>	Not covered	Not covered	
	<a href="#">Skilled nursing care</a>	20% coinsurance	20% coinsurance	
	<a href="#">Durable medical equipment</a>	20% coinsurance	20% coinsurance	None
	<a href="#">Hospice services</a>	20% coinsurance	20% coinsurance	None
If your child needs dental or eye care	Children's eye exam	No Charge	No Charge	Routine vision test only
	Children's glasses	100% up to a maximum of \$150	100% up to a maximum of \$150	Not covered
	Children's dental check-up	Not covered	Not covered	Not covered

### Excluded Services & Other Covered Services:

Services Your [Plan](#) Generally Does NOT Cover (Check your policy or [plan](#) document for more information and a list of any other [excluded services](#).)

- Cosmetic Surgery
- Dental Care
- Infertility Treatment
- Long Term Care
- Non-emergency care when traveling outside the U.S.
- Private Duty Nursing
- Routine eye care (Adult)
- Routine Foot Care

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your [plan](#) document.)

- **Acupuncture (if prescribed for rehabilitation purposes)**
- **Bariatric Surgery**
- Chiropractic Care
- **Hearing Aids**
- Weight Loss Programs

**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: [insert State, HHS, DOL, and/or other applicable agency contact information]. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact: [insert applicable contact information from instructions].

**Does this plan provide Minimum Essential Coverage? Yes.**

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet Minimum Value Standards? Yes.**

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

### Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al [insert telephone number].]

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa [insert telephone number].]

[Chinese (中文): 如果需要中文的帮助, ☐☐打☐个号☐ [insert telephone number].]

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' [insert telephone number].]

-----*To see examples of how this plan might cover costs for a sample medical situation, see the next section.*-----

About these Coverage Examples:



**This is not a cost estimator.** Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

**Peg is Having a Baby**  
(9 months of in-network pre-natal care and a hospital delivery)

- The [plan's](#) overall [deductible](#) \$0
- [Specialist copayment](#) 20%
- Hospital (facility) [coinsurance](#) 20%
- Other [coinsurance](#) 20%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)  
 Childbirth/Delivery Professional Services  
 Childbirth/Delivery Facility Services  
 Diagnostic tests (*ultrasounds and blood work*)  
 Specialist visit (*anesthesia*)

<b>Total Example Cost</b>	<b>\$12,731</b>
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In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$0
Coinsurance	\$2000
<i>What isn't covered</i>	
Limits or exclusions	\$60
<b>The total Peg would pay is</b>	<b>\$2,060</b>

**Managing Joe's type 2 Diabetes**  
(a year of routine in-network care of a well-controlled condition)

- The [plan's](#) overall [deductible](#) \$0
- [Specialist copayment](#) 20%
- Hospital (facility) [coinsurance](#) 20%
- Other [coinsurance](#) 20%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)  
 Diagnostic tests (*blood work*)  
 Prescription drugs  
 Durable medical equipment (*glucose meter*)

<b>Total Example Cost</b>	<b>\$7,399</b>
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In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles*	\$0
Copayments	\$765
Coinsurance	\$240
<i>What isn't covered</i>	
Limits or exclusions	\$1783
<b>The total Joe would pay is</b>	<b>\$2788</b>

**Mia's Simple Fracture**  
(in-network emergency room visit and follow up care)

- The [plan's](#) overall [deductible](#) \$0
- [Specialist copayment](#) 20%
- Hospital (facility) [coinsurance](#) 20%
- Other [coinsurance](#) 20%

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)  
 Diagnostic test (*x-ray*)  
 Durable medical equipment (*crutches*)  
 Rehabilitation services (*physical therapy*)

<b>Total Example Cost</b>	<b>\$1,924</b>
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In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles*	\$0
Copayments	\$0
Coinsurance	\$385
<i>What isn't covered</i>	
Limits or exclusions	\$0
<b>The total Mia would pay is</b>	<b>\$385</b>

Note: These numbers assume the patient does not participate in the [plan's](#) wellness program. If you participate in the [plan's](#) wellness program, you may be able to reduce your costs. For more information about the wellness program, please contact: [insert].

\*Note: This plan has other [deductibles](#) for specific services included in this coverage example. See "Are there other deductibles for specific services?" row above.