

# City of Gainesville

## Invitation to Negotiate RMDX-230059-GD

### Broker and Benefits Consulting Services for Health and Group Life Plans

Aon Response

November 1, 2023



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# Statement of Qualifications

November 1, 2023

Gayle Dykeman  
Procurement Representative  
[dykemangb@gainesvillefl.gov](mailto:dykemangb@gainesvillefl.gov)

Dear Gayle,

Aon Consulting, Inc. is pleased to respond to The City of Gainesville's (the City) Invitation to Negotiate RMDX-230059-GD Broker and Benefits Consulting Services for Health and Group Life Plans. Jeff Jinks, Vice President, Health Solutions, will be the point of contact for all RFP communications and ongoing benefits consulting. Contact information is below.

Jeff Jinks, Vice President  
7650 W. Courtney Campbell Causeway, Suite 1000  
Tampa, FL 33607  
[Jeff.jinks@aon.com](mailto:Jeff.jinks@aon.com)  
(813) 636-3556

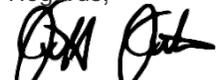
Aon Consulting, Inc., 22-2232264, has over 70 years of experience providing the services outlined in this RFP. The staff outlined in this response commit to fulfill the scope of service outlined in the RFP and possess the qualifications and experience required for effective delivery for the City. All staff described in this response have at least five years of experience in benefits consulting, benefits administration, or contract management.

Our proposed team will offer best-in-class value by providing the City not only their expertise but also flexibility, openness, and a whatever-it-takes attitude. We have developed a team composed of the members outlined above that will be further supported by our industry-leading analytic tools, databases, and other resources.

With respect to contractual indemnification and limits of liability, Aon will to the extent practical and reasonably necessary, perform corrective services to the extent that it makes an error in the performance of services. Aon is willing to accept liability for its errors up to an agreed-upon annual cap. For other breaches of the Agreement (such as intellectual property infringement, criminal misconduct, willful misconduct, etc.), Aon is willing to accept total liability. Aon is willing to accept only direct liability in connection with the Agreement, and therefore, to the extent permitted by law, Aon expects to be indemnified by our clients from and against all third-party claims (including, most significantly, claims by a client's plan participants) related to Aon's services. To the extent that any third-party claims causes losses, damages, etc., to our clients, Aon will be liable for such losses, damages, etc., subject to the limitations described above. Aon expects a mutual exclusion for any consequential and indirect damages. A sample Aon contract is included in the Appendix.

We look forward to beginning a consulting relationship with the City of Gainesville and hope our response is viewed favorably.

Regards,



Jeff Jinks

## Minimum Qualifications

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1. *be licensed to do business in the State of Florida,*
  2. *company has the expertise, licenses, and resources to provide Employee Benefits Broker/Consulting services for the City's current and future operations,*
  3. *company has experience working with organizations with at least 3,500 employees and 5,000 members.*
- 



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[Events](#)   **No Name History**

### Detail by FEI/EIN Number

Foreign Profit Corporation  
AON BENEFITS & INSURANCE SERVICES, INC.

Cross Reference Name  
AON CONSULTING, INC.

Filing Information

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Event Date Filed	05/20/2008
Event Effective Date	NONE

Principal Address  
200 E RANDOLPH STREET  
CHICAGO, IL 60601



Licensee Detail

Back to Search

License #: L041413	Full Name: AON CONSULTING INC NJ
Business Address: 200 CONNELL DRIVE 5TH FLOOR BERKELEY HEIGHTS, NJ 07922	Mailing Address: 4 OVERLOOK POINT LINCOLNSHIRE, IL 60069
Email: AGENCYLICENSING.MAILBOX@AON.COM	Phone: (866) 266-2583
County:	NPN #: 392442
Agent in Charge: LOUIS PANTALONE (A199738)	

Valid Licenses		
Type	Issue Date	Qualifying Appointment
AGENCY LICENSE (2105)	12/12/2006	Appointment not required for this license type.

Active Appointments
No active appointments found.

Invalid Licenses		
Type	Issue Date	Status
NON-RESIDENT AGENCY LICENSURE (9105)	12/12/2006	INVALID

Inactive Appointments
No inactive appointments found.

Agency Locations					
Street Address	City	State	Zip	County	Location Agent In Charge
5600 W 83RD STREET, STE 1100	MINNEAPOLIS	Minnesota	55437		JOSEPH EHRLER (W518934)
7650 WEST COURTNEY CAMPBELL CAUSEWAY	TAMPA	Florida	33607		LORRAINE PENLEY (A020025)
259 N RADNOR-CHESTER ROAD, STE 160	RADNOR	Pennsylvania	19087		CHARLES STEINBERG (A318460)
897 12TH STREET	HAMMONTON	New Jersey	08037		LOUIS PANTALONE (A199738)



Licensee Detail

Back to Search

License #: A315530	Full Name: JIKS, JEFFREY T
Business Address: AON HEWITT 7650 W COURTNEY CAMPBELL CAUSEWAY, SUITE 1000 TAMPA, FL 33607	Mailing Address: 2513 SUNSET DRIVE TAMPA, FL 33629
Email: JEFF.JIKS@AON.COM	Phone: (813) 636-3556
County: Hillsborough	NPN #: 2825851
Continuing Education Statistics	Continuing Education Status: In Progress
CE Due Date: 12/31/2023	Number of Hours Completed: 0
Number of Hours Required: 20	

Valid Licenses		
Type	Issue Date	Qualifying Appointment
LIFE INCL VARIABLE ANNUITY (0214)	3/9/2001	YES
LIFE INCL VAR ANNUITY & HEALTH (0215)	3/9/2001	YES
HEALTH (0240)	3/9/2001	YES

Active Appointments		
Company Name	Issue Date	Exp Date
<b>LIFE INCL VAR ANNUITY &amp; HEALTH (0215)</b>		
AETNA LIFE INSURANCE COMPANY	9/17/2008	12/31/2024
<b>LIFE &amp; HEALTH (0218)</b>		
HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY	5/4/2021	12/31/2023
ALL SAVERS INSURANCE COMPANY	1/30/2023	12/31/2025
UNITEDHEALTHCARE INSURANCE COMPANY	1/30/2023	12/31/2025
<b>HEALTH (0240)</b>		
AETNA HEALTH INC.	9/17/2008	12/31/2024
NEIGHBORHOOD HEALTH PARTNERSHIP, INC.	1/30/2023	12/31/2025
UNITEDHEALTHCARE OF FLORIDA, INC.	1/30/2023	12/31/2025

Receipt # <b>1394211</b>	Control No. <b>0053492</b>	
For Period Commencing <b>JULY 1ST, 2022</b> and ending September 30, <b>2023</b>		
Total: <b>\$550.59</b>	Dated <b>10/17/2022</b> Application No.	
This Business Tax Receipt does not permit the holder to operate in violation of any City Law or Ordinance including, but not limited to, Zoning and other land use regulations. If in doubt, the holder should verify that he or she has the appropriate zoning by calling the Office of Land Development Coordination at 274-3100. This Business Tax Receipt must be conspicuously posted in place of business.		
Classification	Description	Amount
<b>600010</b>	<b>WORKERS @ \$8.67 EA</b>	<b>49</b>
<b>037050</b>	<b>CONSULTANT</b>	<b>\$424.83</b>
<b>993000</b>	<b>ADMIN HANDLING FEE</b>	<b>\$115.76</b>
		<b>\$10.00</b>
Business Name and Address		Business Name and Location
AON - MSC #17299 PO BOX 551343 ATLANTA, GA 30355-3700		AON CONSULTING INC 7650 W COURTNEY CAMPBELL Cswy 1000 TAMPA FL 33607-1462

CITY OF TAMPA, TAX RECEIPT BUSINESS TAX DIVISION

PAID

By: TCD



## Preferred Qualification

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*Experience transitioning from self-funded to fully insured health plans strongly desired.*

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Aon routinely helps clients determine whether self-funding or another alternative funding methodology is appropriate for their coverages. Several factors need to be considered in deciding your funding strategy—many of which will depend on the City’s financial, risk, and administrative objectives. Examples of factors to be considered include plan design and administrative flexibility, assumption of risk, total cost, fiduciary responsibility, F.S. 112.08 required reserves, beginning of year cost predictability, cash flow implication, annual negotiations, claim reporting, auditing, nondiscrimination testing, and cash flow. As part of this analysis, our actuaries also complete a comprehensive claim and reserve analysis to determine the feasibility of alternative funding methodologies for the City.

### **Actuaries**

Aon has more than 270 health care actuarial consultants and actuarial students who provide consulting services to many of our nation’s state and local government entities and Fortune 500 companies. In addition to having a broad understanding of the dynamics within the health care industry, our health care actuaries are responsible for modeling employee contributions, health plan pricing, the impact of plan design changes, and other actuarial calculations. This combination of health knowledge and actuarial mechanics makes our actuaries a valuable resource in assisting organizations with solving their human resources and financial challenges. Amanda Brooke Kross will support the City and lives in Florida. She has a strong relationship with the Florida Office of Insurance Regulation and is a subject matter expert in 112.08 funding and filing.

### **Economic Forecasting**

A detailed financial forecast will be part of our annual plan management services. Depending on client needs and preferences, this forecast may include several scenarios reflecting aggressive, best estimate, or conservative forecast assumptions. Aon’s actuaries continually monitor emerging health care experience trend through internal monitoring as well as annual carrier surveys and the S&P Healthcare Cost Index, developed in partnership between Aon, Standard & Poors, and Milliman. While all these sources will inform our discussions with you, we understand that your financial objectives and risk tolerance levels are unique to you and we will work with you to assure any trend, margin, or other assumption impacting your forecast are fully explained and reflect your objectives. It is also important that financial models do not become static documents, so we will provide restatements on a timeline that makes the most sense to you.

- Savings driven through purchasing efficiency. We have several assessment tools that enable us to identify savings opportunities, including the Medical Plan Discount Analysis, Stop Loss Modeler Tool, and Prescription Drug Deal Database. We actualize the savings potential through our procurement and negotiation processes.
- Savings driven by changes in strategic design direction. It is important to determine the City’s strategic direction in order to ascertain and quantify savings opportunities. Savings can be short term (such as design and contribution changes to reflect current trends and the competitive market) or long term (initiatives to drive true behavior change designed to improve population health, increase individual accountability, and lower costs).
- Savings driven through traditional carrier fee and rate negotiations. Certain dynamics often dictate that vendor changes are not possible or desirable. In those circumstances, we apply our competitive data along with our consulting expertise to leverage optimal pricing on behalf of our clients.
- Savings driven by restructuring the financial model. Recently, clients have shown interest in structuring claims targets with trend guarantees. While this strategy does require an integrated single source carrier relationship, when executed effectively, it can generate immediate as well as long-term cost reductions.

## Firm and Staff Qualification

Aon plc (NYSE: AON) exists to shape decisions for the better – to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

Our client-focused approach has brought consistently strong year-over-year growth and stability to our firm. Some highlights of our recent financial performance include:



The chart below outlines savings Aon has delivered for Florida public entities:

Client	Total Eligible	Savings		Medical \$ Managed	Ancillary \$ Managed
		Notes	\$\$ Savings		
School District	25,200	Strong renewal negotiations and procurements produced significant savings over the last few years	\$16,000,000	\$192,200,000	\$14,000,000
School District	14,000	Rx formulary change, Dental renewal, Rx credit and rebates, Medical audit, Shared Savings, Wellness, On-site reps	\$5,110,000	\$88,387,000	\$9,763,696
School District	8,500	Medical and Rx Marketing Added value-Rx Audits, Claims Audit, Wellness Credit, On site/Wellness, Communications, Clinical Mgt., Medical Audit, Vendor Truven, Dental Neg	\$3,416,000	\$74,364,000	\$7,100,000
School District	4,000	Dental RFP negotiations, Rx Audit, negotiated Stop Loss renewal		\$41,208,000	\$809,000
School District	7,000	Medical Negotiation, FSRBC, GASB, VBES enrollment	\$16,500,000	\$56,291,000	
School District	2,000	RFP-Life/STD/LTD/Dental, Vision, FSA/Cobra, CI, Cancer,	\$677,000	\$20,251,000	\$1,545,656
<b>Aggregate Savings Total</b>			<b>\$70,728,828</b>	<b>\$1,137,965,00</b>	<b>\$88,549,227</b>

# Technical Proposal

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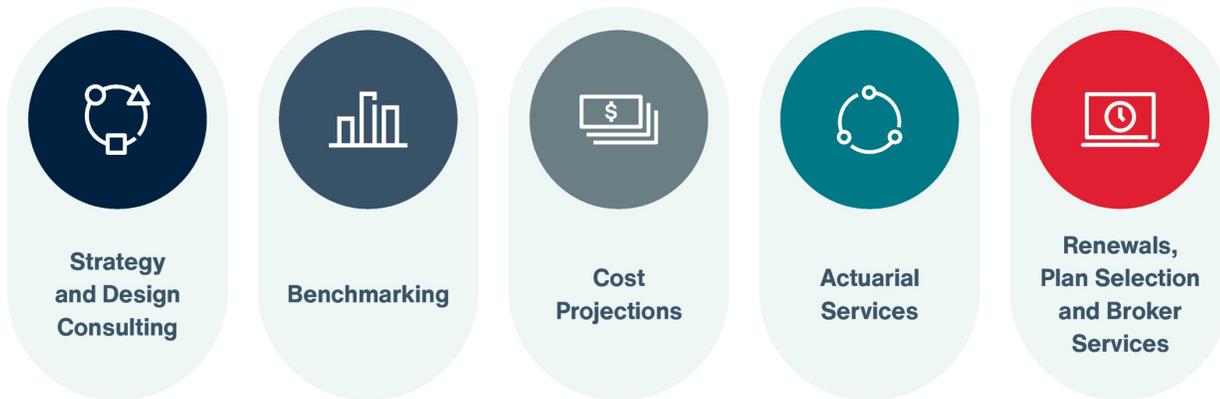
*Provide a narrative which addresses the scope of work, the proposed approach to the work, the schedule of the work, and any other information called for by the ITN which the bidder deems relevant.*

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Aon recognizes public sector clients require an array of specialized expertise and, through our diverse Public Sector practice, is committed to serving the public sector in a variety of ways. We offer our public sector clients customized, end-to-end solutions to health and benefits management designed for impact involving a systematic, transparent approach that includes the following:

- Assisting in the development of an overall long-term strategic plan to manage cost and deliver quality employee and retiree benefits.
- Delivering specific public sector benchmarking tools and resources to help develop and review short-term and long-term strategic objectives.
- Providing F.S. 112.08 actuarial attestation and monitoring available fund balance to pay claims and providing administration, unions, and related committees visibility into experience and plan management tactics monthly.
- Helping monitor and maintain compliance with federal and state laws. Our Health Solutions Legal Consulting practice consults with our clients on compliance regarding a wide range of federal and state laws related to health and welfare plans.
- Performing healthcare claims data analysis to project and manage costs and measure the impact of changing demographics, while using our proprietary tools to evaluate provider discounts and their impact on healthcare spend.
- Conducting actuarial valuations of Other Postemployment Benefits (OPEB) liability under GASB 43/45
- Developing retiree healthcare strategy, including the evaluation of EGWP, RDS, Medicare Advantage, and retiree exchanges.
- Providing comprehensive data analytics and clinical support in order to delve more deeply into health cost drivers, to develop real-world action plans for cost savings.
- Assisting in vendor selection and management, including assessing and benchmarking performance, in preparation for contract negotiations.
- Assisting vendor selection committees by providing objective, expert evaluation while educating members to help come to a consensus.
- Developing executive level reports for oversight boards, committees, and state executives, showing current plan status and recent costs, cost drivers, effect of program changes, and current demographics.
- Providing auditing services, such as:
  - Claims processor performance review and assessment.
  - Audit and gap assessment of current HIPAA procedures
  - Prescription drug audits, including claims, rebates, clinical, and operational audits
  - Dependent audits
  - Reviewing and revising Absence Management programs, including Family and Medical Leave

As a full-service benefits consulting firm, Aon can help the City with any human resources consulting needs you have. Examples of key services our health solutions consultants can partner with you or guide you on include:



**Strategy and Design Consulting** — Using benchmarking data to help drive decisions while keeping healthcare reform and health improvement in focus, we can help you develop a health and welfare strategy and evaluate benefit coverage options for employees and retirees. Working with your specific criteria such as location and demographic, our consultants help meet your unique requirements and develop benefit design and pricing strategies.

**Benchmarking** — Our extensive tools and databases are leveraged to benchmark current cost, plan design, employee cost sharing, and overall benefits program competitiveness. With online access to these powerful resources, our consultants can determine how your existing benefits compare with industry and market competitors. Understanding how these elements compare to other companies is critical to determining what changes may be appropriate — when aligned with your strategy — to maintain a competitive and cost-effective health plan.

**Cost Projections** — Being able to see the impact of various approaches allows you to develop your preferred approach more quickly. To achieve this, we will model a number of plan alternatives to forecast the impact of individual initiatives, as well as the impact of various combinations of initiatives.

**Actuarial Services** — We have more than 300 health and welfare actuaries located across the nation, a majority with underwriting experience. Actuarial services include modeling, reserve development, employee contributions, health plan pricing, and the impact of plan design changes; and performing a variety of other actuarial calculations (analyzing trends, utilization rates, funding of large claims and stop-losses, and ACA) to ensure that your health benefit plans are financially sound.

**Renewals, Plan Selection, and Broker Services** — Aon manages to help our clients contract with the most comprehensive and cost-effective providers, and we help manage health and welfare plan selection and renewal processes. This results in greater cost efficiencies and improved employee satisfaction levels. In addition, we have the expertise to place coverage, including becoming your broker of record for all lines of health and welfare coverage (medical, dental, vision, life and disability, stop-loss, wellness, etc.).

**Vendor Management** — Ongoing throughout the year, we work with you to identify and resolve vendor performance issues and to monitor performance guarantees.

**Compliance Services** — The work we do constantly monitoring applicable state and federal law allows Aon to support the City's compliance. Through alerts, bulletins, teleconferences, and tools, we help make the compliance process easier for our clients.

**Prescription Drug Consulting** — We provide specialized expertise in the areas of strategy and design, financial deals, bidding and selection, implementations, contract negotiation, measurement (audit and operational assessments), and clinical programs assessments.

**Health Management & Wellness** — For more than 20 years, we have provided health risk management/wellness consulting services as a discrete area of specialty, and we have provided these services to hundreds of clients. In addition, Aon has amassed a robust amount of market intelligence, including information on practices and provider capabilities, and the identification of emerging trends in design, provider delivery, and leading-edge programming in managed health.

**Data Warehousing** — Our data forensics experts, part of our Innovations team, are very familiar with data warehousing specialty companies' technology, services, and processes. We can consult with the City on the best way to have the warehouse partner compile and filter your information so that the City can benefit as much as possible from the efforts.

**Financial Audits and Operational Assessments** — For years, Aon has been the industry leader in providing audit-related services to large clients. Our services include customer benefits information audits, claims processing system audits, and client/administrator operational review audits. These audits are performed on existing vendors, as well as new vendors in the form of pre-implementation/readiness assessment audits in advance of go-live dates.



Aon invests more than \$10 million annually to build and maintain the most extensive healthcare and general benefits databases. During the Discover phase of our strategic planning process, we use our extensive industry-leading surveys and benchmarking tools to develop a competitive multiyear strategy and plan design.

We begin by analyzing the competitiveness of the City's current plans and identifying areas for improved cost and purchasing efficiencies. This information will provide a quantitative basis for your decision-making process as we evaluate potential changes to the current program.

### Aon Bench

A proprietary Aon database that captures benefits information for plans offered by our clients (medical, including prescription; dental; vision). Data is available across a variety of industries, regions, and employer sizes.

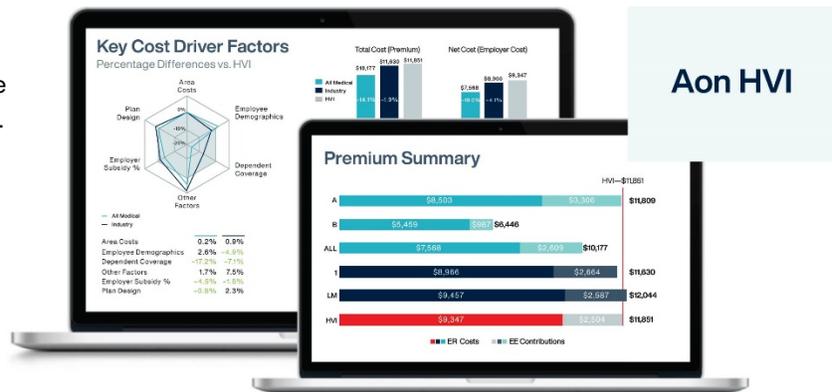
The type of information available via Aon Bench includes cost information such as premiums, employee contributions, and employer subsidies, as well as specific plan design features like deductibles, various copays, and in-network benefit coverage. Aon Bench features statistical distributions, attribute-by-attribute comparisons, and holistic summaries that tie in the financials with plan actuarial values. These features are integrated with Aon's actuarial valuation models.

Aon Bench allows us to quickly and efficiently benchmark your benefit plans and negotiate more cost-effective deals with your vendors.

### Health Value Initiative (HVI)™

Aon's Health Value Initiative (HVI) database is the premier compendium of employer healthcare cost, design, and demographic data. It is the largest healthcare study of its kind, collecting data from over 500 organizations, representing 11 million participants, 1,200 plans, and \$60 billion in healthcare expenditures.

HVI helps clients benchmark for competitive total plan cost and employee cost-sharing information, understand their competitive position, and quickly identify opportunities to save money.



## Benefit SpecSelect™

Benefit SpecSelect provides quick-and-easy benefit design comparisons with the programs of any organization in our database. Today's benefits challenges include an increasingly diverse workforce with a wider range of needs, new legislation, and constant pressure to enhance value while lowering costs. Benefit SpecSelect helps tackle those challenges head on by providing access to the latest summary prevalence data and the ability to perform custom comparisons.

Benefit SpecSelect gives you access to critical benefit information pertaining to healthcare (active medical, prescription drugs, dental, vision, hearing, and retiree medical), retirement income (defined benefit and defined contribution), disability (short-term and long-term), death (group life, survivor benefits, and retiree life), paid time off (holidays, vacations, and PTO banks), work/life benefits, and part-time benefits.

## Financial Reporting

Aon produces a wide variety of reports for our clients based on each client's specific service delivery needs. As a part of our transition process with the City, we will determine jointly with your risk management team what specific reports will be beneficial to your objectives and internal reporting needs.

Aon's Experience Monitoring Reporting (EMR) package, which is customized to the City's specifications, is delivered and reviewed quarterly. The EMR provides feedback on how your plan performance is emerging relative to budget expectations and industry trend benchmarks. EMR is included within our core pricing and not a buy-up.

The report is divided into the sections referenced below:

- Executive Summary — An overview of the full array of data findings and analysis
- Rate Adequacy Analysis — A 24-month running total of paid claims by plan, incurred claims, premiums, and loss ratios and a year-end projection
- Plan Performance Analysis — A comparison of the financial performance of your plans
- Rate Action Analysis — A rate projection for the upcoming year compared against the final rate action implemented
- Incurred But Not Reported (IBNR) Analysis — A detailed analysis of the true claim lag triangle reports provided by the claims administrators
- Experience Detail — By plan and member status

Reporting is available 15 – 30 days after the end of the month, depending on timeliness of vendor reporting. Your account team is available to meet with your vendors to discuss program results and to develop remediation plans.

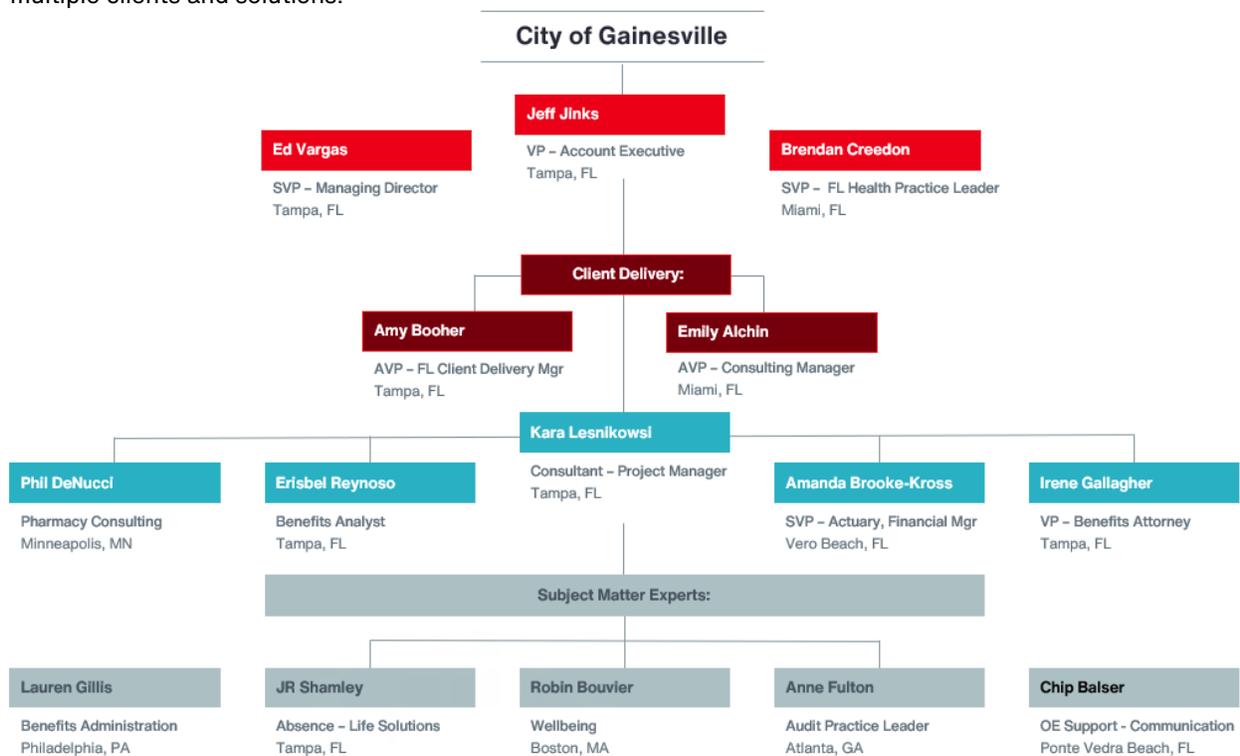
In addition, we have provided a comprehensive list outlining examples of the type of reports that may be provided. Additional custom reports can be available in the benefits administration platform as needed.

- |                                       |                             |
|---------------------------------------|-----------------------------|
| ✓ New client onboarding booklet       | ✓ Claims reporting guide    |
| ✓ Annual client methodology report    | ✓ Claims status reports     |
| ✓ Schedule of insurance coverages     | ✓ Premium summaries         |
| ✓ Policy summaries                    | ✓ Quarterly carrier ratings |
| ✓ Insurance program charts            | ✓ Renewal strategy report   |
| ✓ Cost of risk and premium allocation | ✓ Benchmarking report       |
| ✓ Monthly open items list             |                             |

- 2.2 j Must consistently maintain and allocate sufficient staffing resources to provide timely service for the City's Employee Benefits broker/consulting needs.
- 2.2 k Must maintain staff that are qualified and available to provide specialized technical expertise in various disciplines as necessary.
- 2.2 l Consistently maintain and allocate sufficient staffing resources to provide timely service for the City's Employee Benefits broker/consulting services needs,
- 2.2 m Maintain staff that are qualified and available to provide specialized technical expertise in various disciplines as necessary.

## Account Team Organizational Chart

A differentiating aspect of working with Aon is that we operate as a Health Solutions practice, giving the City access to expertise and experience that is customized to the client and delivered in such a way that the City may interact with consultants that work with multiple public entities or private companies. Brendan Creedon manages the practice and Amy Booher manages Client Delivery. As evidenced in the chart below, Emily Alchin manages Kara Lesnikowski, Erisbel Reynoso, giving the City personal touch, expertise and experience involving multiple clients and solutions.



## How Your Aon Team will Work

At the outset of the relationship, we assign an Account Executive, who manages all services and deliverables provided to their client. For the City this will be Jeff Jinks, who will manage the projects being completed, which might involve multiple colleagues and specialties at any given time, including actuarial, consulting, pharmacy, communications, health transformation, etc. Work is assigned to the appropriate practice, and work product is shared with team members. For example, consultants will develop RFPs for various lines of coverage, while actuaries develop the financial analysis around proposals received from bidders.

## Partnering with the City

We believe that success with our clients is defined by them, not by us. Clients tell us that these characteristics are of value to them, and we work every day to make sure we meet and exceed these expectations.

- **Listen before we advise**—Each client and each company has its own set of issues and challenges that need to be solved; we listen to what clients need, seek to understand their culture and business, and work hard to imagine how an idea will work in their situation
- **Solve specific problems**—We will examine your data to understand your organization; this allows us to pinpoint problems and leverage the appropriate resources
- **Garner trust and openness**—These characteristics are driven by honest, transparent, personal relationships; we look for and encourage straight talk and work to earn your trust
- **Be proactive**—We thoughtfully bring any reasonable idea and solution to the problems at hand and recognize that part of our value is to “see the future” and lead with both innovative and proven solutions that will work
- **Ensure compliance**—We ensure that our clients are aware of all applicable compliance and legislative requirements
- **Formally solicit client feedback**—Asking clients for their feedback on our delivery and results helps ensure that we are meeting expectations and allows us to adapt based on their feedback

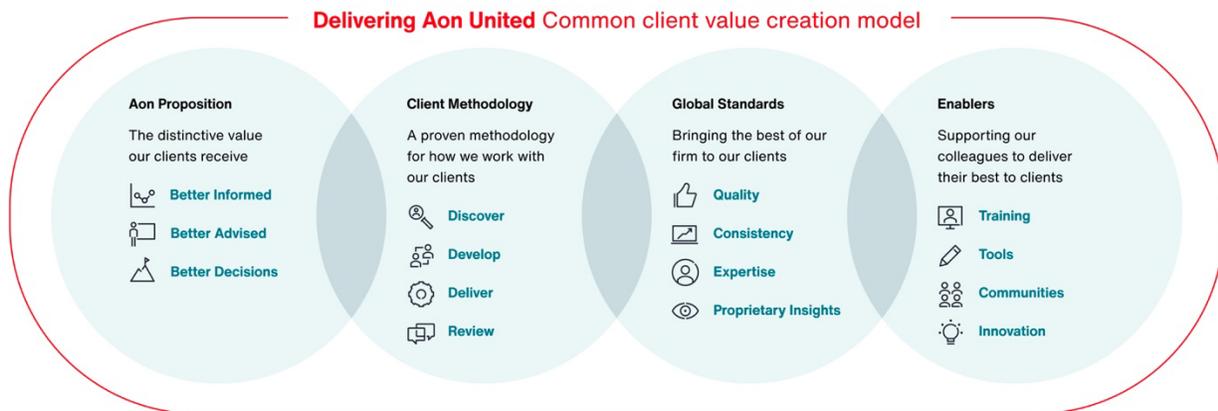
Aon will assist the City in developing and maintaining a cost-effective benefits program through the delivery of recurring services (budgeting, renewal rate negotiation, vendor management) and ad hoc services (legal and compliance support, special communication materials).

The following diagram outlines our typical health and benefits consulting services:

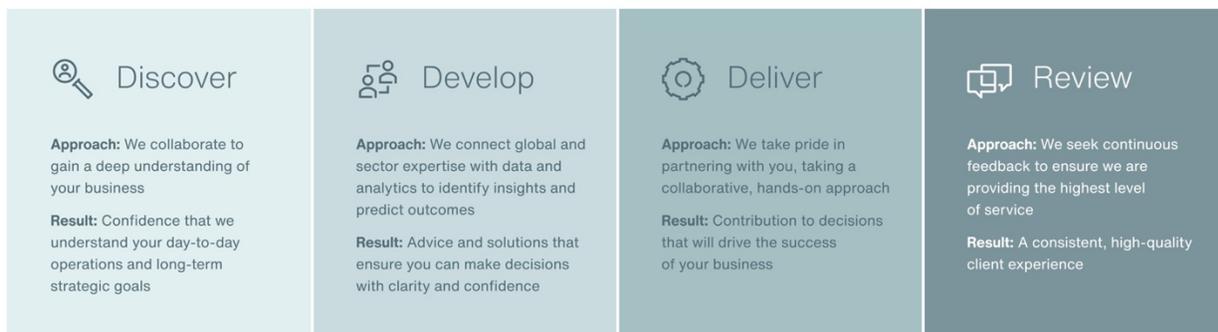


At Aon, our client-centric approach is grounded in our commitment to work together as one team to deliver advice and solutions that give our clients the clarity and confidence to make better decisions to protect and grow their business.

Delivering Aon United is how our colleagues work as one firm to deliver value to our clients and is brought to life through our common client value creation model, which sets a new standard and enables a consistent, best-in-class approach to client leadership. The model scales strategies across the firm that have helped teams bring the best of Aon to clients, allowing us to focus on delivering the Aon Proposition.



We believe that regular, open, and honest dialogue with clients is the foundation to the success of the client experience we provide. Our Client Methodology is a tried and tested approach as to how we work with our clients: Discover, Develop, Deliver, and Review. Through this methodology—and by tapping into the breadth and depth of expertise and experience at Aon—our clients are better advised and able to make better decisions.



By combining our data and analytics capabilities with our expertise, Aon will provide you with information and advice you need to decide what is right for your business and people.

## A Plan and A Process

Having a plan of action and process (or more accurately—plans and processes) in place to support the many and varied activities needed to effectively manage your benefits program is key.

Below is a suggested Health and Benefits annual calendar of activities. We establish a planning calendar to drive activities and timeliness. Please note that this is a proposed timeline; we anticipate reviewing it as well as related project plans in detail with the City and partnering to make any necessary adjustments.

	Meetings	Reporting	Solutions & Implements	Compliance
<b>January</b>	New Plan Year Begins	Annual IBNR True-Up	Implement Reporting Tool	
	Review Enrollment Results and Impact on Renewal	December Year-End Reporting	Compliance	
	Stewardship/ Strategy Meeting			
	Executive Benefits Strategy Meeting			
	Strategic Health and Wellness Planning Meeting			
<b>February</b>	Post-Renewal Actuarial Work-Up Meeting	Year-End Reporting Package Review	Benchmark Current Benefits & Health Costs	Medicare Part D Online Disclosure Due
	Year-End Medical and Pharmacy Utilization/ Strategy Meeting	January Reporting Package Review Meeting		
<b>March</b>	Utilization Meeting	February Reporting Package Review Meeting	Compliance Scorecard	
	Voluntary Benefits Marketing Meeting			
	Annual Healthcare Forum			
	Stewardship & Strategy Meeting			
	Client Methodology discussion			
<b>April</b>	Strategic Health and Wellness Planning			
	First Quarter Medical and Pharmacy Utilization Meeting	5500 Preparation March Reporting Package Quarterly Reporting Package Review	Actuarial/Financial— Evaluation of Alternate Funding Options & Contributions	
<b>May</b>	Communication Planning Meeting	April Reporting Package	Online Employee Benefits Survey	
	Renewal Kickoff Meeting			

	Meetings	Reporting	Solutions & Implements	Compliance
<b>June</b>	Face-to-Face Employee Education Meetings Pre-Renewal Actuarial Work-Up Meeting Clinical Meeting	May Reporting Package Semiannual Plan Compass Report	Benchmark Current Benefits and Health Costs	
<b>July</b>	Renewal Kickoff Meeting Medical Renewal Strategy Meeting Second Quarter Medical and Pharmacy Utilization Meeting	June Reporting Package Quarterly Reporting Package Review		PICORI Fee Due Form 5500 Filing Due Without Extension FERMA Meeting
<b>August</b>	Voluntary Benefits Marketing Meeting	July Reporting Package	Train the Trainer— Annual Enrollment Annual Enrollment Communications	
<b>September</b>	Communication Planning Meeting	August Reporting Package	Medicare Advantage Renewal Annual Enrollment Preparation Finalize All Renewal Decisions	
<b>October</b>	Third Quarter Medical and Pharmacy Utilization Meeting	September Reporting Package Quarterly Reporting Package Review	Annual Enrollment Preparation Train the Trainer— Annual Enrollment Annual Enrollment Communications	Medicare Part D Credibility Notices Due Form 5500 Filing Due With Extension
<b>November</b>	Face-to-Face Employee Education Meetings	October Reporting Package	Annual Enrollment Meeting Support	Transitional Reinsurance Fees Due
<b>December</b>	Clinical Meeting Annual Stewardship and Strategy Meeting	November Reporting Package Semiannual Plan Compass Report	Client Methodology Survey Commission Disclosure Report	

## General Interactions

### **On an annual/monthly basis:**

Having a plan of action in place to support the many and varied activities needed to effectively manage your benefits program is key. Establishing a calendar of activities will help drive activities and timeliness. We will develop a proposed timeline; we anticipate reviewing it as well as related project plans in detail with the City and partnering to make any necessary adjustments.

### **On a daily/weekly basis:**

“We act as an extension of your team.” This is a phrase we use often and embody more often. If you have any questions about your plans or an issue with a vendor, just pick up the phone and give your Aon project manager (or any member of the team) a call. Your goals are our goals. And, beyond responding to inquiries, we bring ideas to you as well as information and recommendations.

In addition to having a plan of action in place, having processes in place to support the many and varied activities needed to effectively manage your benefits program is key. Aon has been providing health and benefits consulting for decades, and the processes we have in place to mitigate problems have been time-tested for success.

### **Responding to Questions**

Your lead Aon contact, Jeff Jinks is the right place to start, but please know you should feel completely comfortable contacting anyone on your team. Everyone, from receptionists to senior leadership, will be committed to getting you what you need when you need it.

In most cases, your Aon team will respond to your inquiry on the same business day. We often are able to provide immediate resolution or provide the requested information. However, in instances when we are relying on others to provide detail (e.g., carrier claims issues), we may require additional time to provide the appropriate answers. In those instances where an answer is not available within 24 hours, we will provide you with an estimated turnaround time.

## Marketplace Brokerage Process

Each year, we conduct hundreds of bids for a variety of health and welfare plans. From this experience, we have developed standardized Request for Proposal templates that can be tailored specifically to the City's needs. The following is a summary of our vendor search process, which we will customize based on information gained from our planning meeting with you.

### Phase I – Strategic Planning

#### **Step 1: Project Planning**

For the majority of our clients, securing fees, rates, and a plan design is not a sufficient process for determining the most effective vendor for their benefit plan. It is critical that the marketing process begins by outlining your long-term strategy, key program objectives, and criteria for selecting the successful vendor.

We will begin this project with a kickoff meeting of the City and Aon to arrive at a set of objectives. We will then refine the comprehensive procurement and analysis work plan that details key steps, timing, and deliverables. We will collaboratively document the objectives to have a clear understanding of items such as:

- Specific issues on coverages to be marketed
- Project plan milestones
- Key deliverable dates
- A clear definition of a satisfactorily completed project task

#### **Step 2: Develop Selection Criteria**

We will work closely with the City to identify the appropriate vendors to receive the RFP and determine selection criteria. These selection criteria will be used as the basis for developing a vendor scorecard. Standard selection criteria that may be important to the City include, but are not limited to, the following:

- Network coverage, member disruption, and discounts
- Flexibility to design special network tiers
- Care management, chronic care management, and case management services
- Superior customer service capabilities and availability
- Robust online participant tools
- Participant health management tools (e.g., health assessments, coaching)
- Claims payment processes and operations
- Provisions for the City internal audit and/or third-party audits
- Data warehouse/reporting capabilities
- Robust performance guarantees with fees at risk

Aon collects much of the above data from vendors through our National Medical RFI process. Aon's Health Value Initiative (HVI)<sup>™</sup> database compiles data across the United States. We also collect similar information through our prescription drug and disease management RFIs each year – from both the major health plans and specialty vendors.

### Step 3: Creation of the RFP

After the program objectives and selection criteria have been established, we will develop a comprehensive RFP customized to solicit the necessary information from each bidder to satisfy your specific goals. We will prepare the bid specifications and submit them to the City for review and comments before issuing them to the vendors.

The typical format of the bid specifications includes the following sections:

- **General Information** – Overview of the City’s objectives for its group benefits program, an explanation to the bidders of the basis for requesting proposals, and a timeline for the vendor selection process.
- **Selection Criteria** – A detailed outline of the issues important to the selection of a program administrator
- **Performance Standards** – The performance standards that will be expected.
- **Administrator Responsibilities** – Explanation of all services that will be expected; this also serves as a basis for providing a fee quotation by the bidder.
- **Fee Quotation Format** – Specific proposal formats to ensure that comparative analysis is possible with minimal adjustment.
- **Quantitative Analysis** – Member disruption, network discount analysis
- **Proposal Questionnaire** – Typically, this is part of the bidding specifications, an integral part of the proposal evaluation process.
- **Summaries of Design Features** – In addition to providing detailed descriptions of the plan(s) to be administered, we will also specify any key the City’s design administration requirements.
- **Customized Questions** – We will create customized questions for the City to gather any information not included in the national RFI and to specifically assess program elements, approaches, expected results, and fees applicable to the City.

### Step 4: Distribute the RFP and Manage Vendor Process

The vendor community treats an Aon RFP with the priority and attention that you have come to expect from your business partners. Your designated Aon team’s industry contacts are reinforced by our national carrier assessment efforts. We believe in partnership. Our focus is on creating clearly defined and well-understood performance metrics that form the foundation for a long-term successful partnership.

We use an online procurement tool to distribute and manage the RFP process.

## Phase II – Analysis

### Step 1: Evaluation of Proposals

Evaluation of proposals is more than just reading vendor responses – it involves analyzing the responses based on extensive experience and data. Aon makes this process more efficient and more meaningful by:

- Using RFI data paired with RFP responses to provide comprehensive answers.
- Leveraging RFP response reports supplemented with our expert analysis.
- Creating easy-to-evaluate, side-by-side exhibits so that you can effectively note meaningful proposal differences.
- Delivering a list of questions by vendor for further clarification during finalist meetings.

The data from our national medical, prescription drug, managed health, behavioral health, and value-driven healthcare RFIs, together with the specific responses from bidders to the RFP customized for the City, will be

the basis for a thorough analysis of each bidder. Our premier evaluation tools will be used to provide superior detail and insight into each vendor's capabilities and market positioning.

In addition to our robust analytic tools, a key differentiator of Aon's evaluation process is our review of the total member experience. With increasing emphasis on consumerism and self-service, a large portion of what the City will buy from the vendor is the member experience (the websites, materials, tools, and programs that participants see/use directly).

In one client example, we conducted the member experience scorecard for four healthcare vendors under consideration: Aetna, Anthem, Cigna, and United. We were able to identify specific issues (e.g., while technically accurate, Anthem's website has a 4% member registration rate versus United at 32%; or Aetna did not send key materials home so dependents did not have easy access to information and tools) and were able to negotiate significant credits for the client to fix the gaps in the user experience. The client also told us that the member experience was the most powerful criteria to distinguish the different vendors – since increasingly the networks, plans, and costs are so similar. Member experience is also an important criterion for wellness, FSA, and absence management programs.

### **Step 2: Vendor Discount Analysis Benchmarking and Member Disruption**

Another key component of a medical provider selection project is the network discount analysis. We will leverage our Discount Analysis tool to assess the competitiveness of bidder discounts. The health plans provide us with average provider pricing and discount information for each three-digit ZIP code in the country. The data is provided twice a year, certified by each carrier's senior leadership, and rigorously tested at Aon for credibility. By comparing the City data against the Discount Analysis database, we can identify a short list of vendors to consider and the potential savings.

An analysis on member disruption will be conducted to assess potential impact to members based on the network change.

### **Step 3: Finalist Selection**

Using the above analysis and scorecard methodology, we will sit down with the City to review the information collected, share our recommendations, and potentially select two to three vendors for finalist meetings. We also recommend performing reference checks for the finalists at this time. Our proposal assumes the City will call the references. Aon will be available to assist with determining appropriate questions for the references, if desired.

## **Phase III – Negotiations**

### **Step 1: Finalist Meetings/Site Visits**

We will conduct face-to-face finalist meetings at the City's offices and/or conduct site visits at the finalists' facilities. Our trusted relationships with the vendor community serve us well in conducting and facilitating effective finalist meetings. We treat these meetings as an integral tool in the evaluation process.

Before the meetings occur, we develop complete discussion guides and agendas. We consult with each vendor beforehand to make sure that the people they bring and materials they present are relevant to you and are focused on the issues we raise during the proposal evaluation process.

### **Step 2: Finalist Negotiations**

After finalist meetings are completed and all follow-up materials have been submitted, we will give each vendor a last opportunity to present a compelling financial proposal for your review. Once all documentation is received, we will begin negotiations with the finalist vendor(s). Key characteristics of our approach are summarized below:

- **We create balance.** As consultants, we represent our clients' interests. Our goal is to negotiate a fair rate for you, but we also attempt to avoid any undue financial hardship for the plan. We want our clients to

enter into solid partnerships with plan partners who will be financially viable for the long term. However, we do expect plans to maintain an aggressive approach to rating and cost management.

- **We are persuasive.** We combine demands for rate reduction with suggestions for improvement (which may facilitate a plan's willingness to lower rates). We also stand firm when a plan's arguments are not compelling.
- **We maintain a long-term perspective.** We focus on long-term results in order to maintain continuity and minimize disruption. In some cases, we accept modest rate concessions in order to assure survival of the plan as well as more favorable potential future outcomes.
- **We are knowledgeable.** Our extensive experience and knowledge in the area of health management consulting is an advantage in our negotiations. We focus on facilitating a positive dialogue with the account representative in order to favorably influence the underwriting process.

### **Step 3: Vendor Selection and Performance Guarantees**

Once negotiations are complete, we will assist the City with the notification of the business award and communications with all bidders who participated in the RFP. In addition, we will work in conjunction with your staff to review contract terms and establish performance guarantees with the selected vendor.

## **Phase IV – Implementation**

### **Implementation Step 1a: Vendor Kickoff Meeting**

Once a vendor is selected and negotiations are completed, we work with the City and the selected vendor to schedule an implementation kickoff meeting. We find that an in-person meeting is best in order for you to meet and connect with your new vendor team. Our support will include coordinating the meeting itself as well as working with you and the vendor to establish the agenda and determine the appropriate attendees. During the meeting, we take notes, determine next steps, and identify responsible parties for action item. We also establish the ongoing meeting cadence at this time. Finally, we discuss and plan the pre-implementation audit if negotiated as part of the program.

### **Step 1b: Ongoing Implementation Calls**

Based on the meeting cadence identified during the kickoff meeting, we attend ongoing calls alongside you and your vendor. We provide insight and recommendations on various decision points along the way and help keep the vendor accountable to keep the implementation process moving forward.

### **Step 1c: Implementation Wrap-Up**

After implementation is complete, we work with you and the vendor to document final decisions. At this time, we also assist you in providing feedback to the vendor and identifying any issues that would lead to a payment from the implementation performance guarantee. We are available to assist with any issues during the first few months the program is live.

### **Step 2: Pre-Implementation Audit**

We work with the City and our specialty teams to coordinate and perform the pre-implementation audit. We review the program setup to make certain that it is properly coded to ensure that benefits are being administered as desired and to identify and fix issues before the program goes live to ensure minimal disruption to you and your employees.

## Aon's Structured Portfolio Solutions (SPS)

Another market leverage advantage we will offer the City is the ability to market non-medical plans through our SPS. Aon's Health Consulting practice established our Structured Portfolios to drive the following objectives:

- Enhanced terms, conditions, and service levels for clients
- Improved efficiency achieved through streamlined broking processes
- Strategic carrier relationships to drive stronger client-value proposition
- Product expertise and insights along with service evolution and innovation

## Health Solutions U.S. Broking-Structured Portfolio Solutions (SPS)

Aon's industry-leading broking platform for Health Solutions specialty lines of coverage **offers superior, competitive benefit products and coverage for clients.**

			
<b>Enhanced Terms and Conditions</b>	<b>Streamlined Broking Process</b>	<b>Strategic Carrier Relationships</b>	<b>Product Expertise and Insights</b>
<ul style="list-style-type: none"> <li>• Life &amp; Disability</li> <li>• Critical Illness/Accident/Hospital Indemnity</li> <li>• Permanent Life</li> </ul>		<ul style="list-style-type: none"> <li>• Spending Accounts/COBRA</li> <li>• Stop-Loss</li> <li>• Dental</li> <li>• Vision</li> </ul>	



Our subject matter experts (SMEs) and specialty practice leaders have been deeply involved in the development of the coverage enhancements and requested service level agreements to ensure that we have attained the best possible outcomes for our clients. The concept focuses on panels of selected non-medical insurance carriers and administrative service vendors to provide services to Aon clients.



## SPS Savings

Since we launched SPS in late 2012, we have seen significant savings each year for our large and middle market clients. Our most updated savings are highlighted below.

### Average Client Savings

Line of Coverage	Results—Marketings That Saw Savings Over Current		Results—All Marketings	
	Changed Carrier	Stayed With Incumbent	Changed Carrier	Stayed With Incumbent
Stop-Loss	14.9%	8.2%	10.5%	0.0%
Vision	27.0%	11.8%	17.5%	2.7%
Dental	12.5%	5.5%	8.0%	0.5%
Life/AD&D	12.2%	13.1%	7.7%	0.1%
STD	15.3%	6.0%	5.9%	0.1%
LTD	20.4%	6.0%	10.7%	0.5%
<b>Average</b>	<b>17.1%</b>	<b>8.4%</b>	<b>10.0%</b>	<b>0.7%</b>

- ▶ **66%** of clients that changed carriers had savings over current
- ▶ **27%** of overall cases that were marketed had savings over current
- ▶ **7%** of cases that renewed with the incumbent had savings over current

*\*Negative percentages reflect increase in premium and decrease in savings*

### About Our SPS Carriers

Aon's SPS insurers are market leaders with a proven record of meeting the needs of employers and their employees across geographies, industries, and company size. SPS has established National Carrier Relationship Managers for all of our carriers to assist in escalations you may have.

### Service guarantees.

### Vendor Management



Measuring the performance of the plan and your carriers is critical to program success and ensuring that progress is being made toward your objectives. As part of our strategy setting process, we develop performance benchmarks and activities that will enable the City to clearly measure progress.

In addition, we view the updating and/or development of performance guarantees as a critical component in contracting with your vendors. We recommend a mix of financial and non-financial performance guarantees categorized into five areas:

- **Financial Accuracy**—Is the vendor paying the correct amount?
- **Administrative Accuracy**—Is the vendor processing claims accurately (using proper procedure codes, correct address, etc.)?
- **Customer Service**—Is the vendor providing best-in-class customer service (first-call resolution rates, speed of answer, hold times, abandonment rates)?
- **Employee Satisfaction**—Is the vendor generating a high level of satisfaction with their claims processing, member services, clinical services, and networks?
- **Account Management**—Is the account management team providing the City with best-in-class service (responsiveness, reporting, new ideas, proactive interventions, etc.)?

We also suggest regular meetings (e.g., quarterly) to monitor vendor performance, including performance guarantee updates as well as network and capability updates. We can be as involved in these meetings as the City needs us to be—we can facilitate these meetings on your behalf or participate in the annual meeting each year.

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*2.2 g Provide consulting and educational services in the compliance areas relating to Health and Group Life plans.*

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## Aon Legal Consulting Group

The Aon Legal Consulting Group comprises two dozen employee benefit attorneys, paralegals, and analysts with an average of 15 years of experience in employee benefits law.

The Legal Consulting Group works with employers on compliance with a wide range of federal and state laws related to health and welfare plans, including the Patient Protection and Affordable Care Act, the Internal Revenue Code, ERISA, HIPAA, COBRA, FMLA, and the Americans with Disabilities Act. The Legal Consulting Group also works with employers on state and federal healthcare reform legislation, state insurance laws related to regulation of fully insured healthcare plans, and the more than three dozen state laws regulating absence and paid leave programs.

Aon's legal consultants also regularly work with benefits managers, in-house attorneys, and outside counsel to draft, negotiate, and finalize contracts for fully insured and self-insured healthcare plans and third-party administrators. Aon's legal consultants also conduct nondiscrimination testing on employer group healthcare plans. We offer compliance and testing services for state and local healthcare contribution rules in Massachusetts and San Francisco. Aon's legal consulting team also consults on HIPAA privacy and security requirements for employer healthcare plans, including drafting HIPAA notices, policies, and procedures; drafting and negotiating business associate agreements; conducting gap assessments in HIPAA compliance; suggesting remediation options; and training employees with access to protected health information in the appropriate access, use, and storage of PHI.

While Aon is not a law firm and does not provide legal advice, we work with internal and external legal counsel in designing and implementing your compliance strategy. While we do not lobby, we have testified before Congress and provided data to Congressional committees and regulatory agencies on the impact of proposed changes to the employer-based healthcare system. Our legal consultants periodically submit comment letters to federal agencies on proposed regulations that could have a potential impact on employers. In these letters, Aon often suggests approaches for federal agencies to consider that may facilitate easier implementation for employers or address concerns our clients may have. Our consultants serve in leadership positions in employer advocacy organizations, like the National Business Group on Health and the American Benefits Council, that represent the views of employers on healthcare and employee benefit issues to state and federal officials.

Aon's Health Solutions practice produces The Bar on Healthcare, a podcast focusing on developments in federal and state health and welfare law and their impact on employer group healthcare plans.

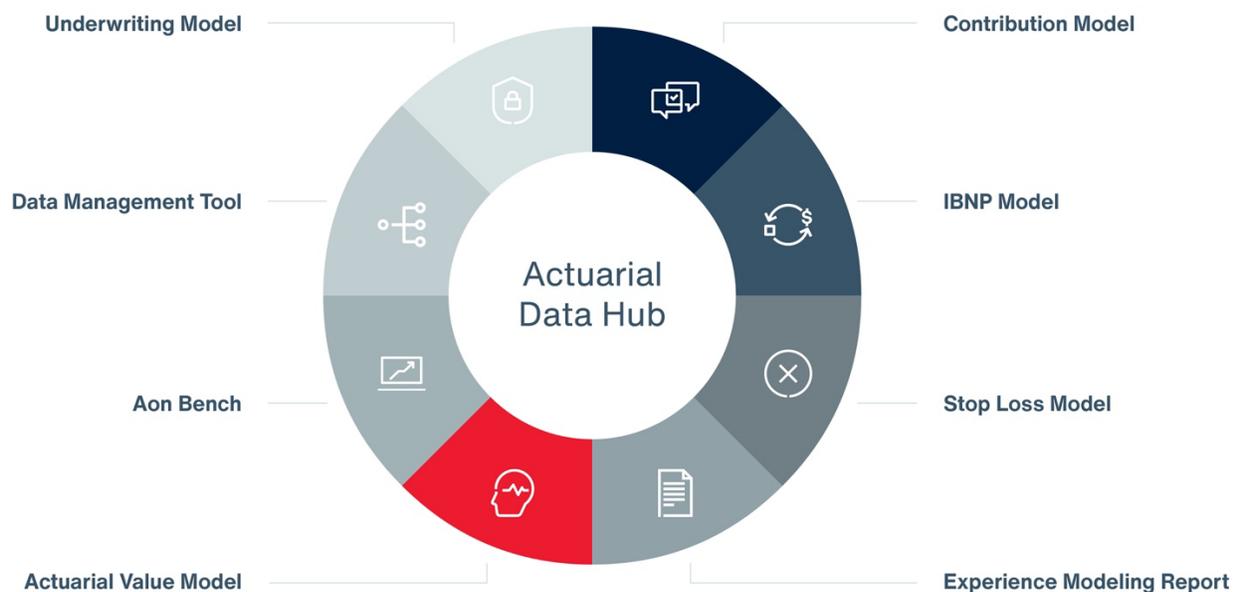
Additionally, Aon has a wide range of compliance resources, tools, and services to proactively guide the City regarding these requirements, including:

- **Publications.** Aon provides several publications to keep our clients informed of these issues, many of which are available via email subscription. We believe it is helpful for each client to have regular access to the best information from Washington, worldwide, and across the firm as soon as it is available. A wealth of information is also available from Aon's website. The following link connects you to publications <https://www.aon.com/human-capital-consulting/thought-leadership/wash-report/default>
- **Webcasts and Events.** We also host annual national teleconferences, in-person conferences, local breakfast seminars, and roundtables. We use these forums to share information with our clients and provide an opportunity to leverage our knowledge and experience. Events are held throughout the country at different times of the year.
- **Your Aon Team.** In addition to routine updates, we will call or email you with any items that require immediate attention or which may be of particular interest. This process will be ongoing and proactive throughout our relationship with the City.
- **Compliance Calendar.** Every January, Aon publishes a compliance calendar that identifies the significant compensation and benefits due dates for the upcoming year.
- **Access to an Interactive Web Portal.** The portal provides federal, state, and local legislation notices, a health plan compliance calendar, ACA reporting workbook, compliance toolkit on various topics, and information regarding HR compliance issues (beyond benefits).
- **Operational Assessments in Conjunction With Claim Audits.** Aon can help the City fulfill its ERISA fiduciary responsibilities by assessing the quality of the administrator's plan management, claims handling, customer service, and audit programs.
- **Compliance Checkup.** This process apprises you of Affordable Care Act provisions that apply to employer-sponsored group health plans. You will be interviewed by a Health Solutions Legal Consulting Group consultant to help reduce the risk of noncompliance with federal notice requirements that apply to employer-sponsored group health plans. You will receive a summary results report and a checklist of notices and disclosures that you are required to distribute to participants, including sample model notices, as needed.

## Actuarial Services

### Actuarial Modeling Suite

Our web-based Actuarial Modeling Suite (AMS) platform is the new market-leading standard in the industry, and it takes actuarial consulting to the next level. This proprietary technology was developed by Aon, and we are the only consulting firm using this platform. The AMS platform streamlines actuarial modeling, enhances our consulting capabilities, minimizes the risk of errors, and provides deeper insights for more meaningful and strategic discussions with our clients.



Highlights of the platform include:

- Web-based platform with interconnected models
- Actuarial data hub – One repository that holds input and output for **all** of the models
- Powerful, easy-to-use interface that enables consultants to run multiple scenarios quickly and accurately
- Built-in safeguards, data and quality checks
- Robust benchmarking to identify emerging benefit and pricing trends
- Automated generation of output – From analyst-level to executive client summaries
- Integrated workflow and peer review documentation

These features of our new AMS platform empower Aon to access our full analytical capabilities to resolve client issues faster and more effectively than ever before.

## Actuarial Value Model

The Actuarial Value (AV) Model tool allows us to develop consistent relative value factors associated with unique plan designs. Using this proprietary tool, we are able to establish a baseline of current plan value and quantify the plan cost impact of potential design changes over time. Plan relative values are fundamental to projecting future plan costs and are incorporated into our pricing model when developing gross cost forecasts for plan year budgeting.

This relative value model is built on a base of \$50 billion of self-insured claims data across 12 million members. Claims are organized by service category into various continuation tables to support the valuation of plan design changes.

The AV Model helps to create and refine costs for medical, prescription drug, behavioral health, vision, dental, and disability plans. One of its most significant features is its ability to model the financial implications of any plan design changes. It can determine the impact of moving from copays to coinsurance, of changing deductibles, of out-of-pocket costs, or of changing drug designs.

The AV Model offers unparalleled benefit valuation flexibility and contains the following features:

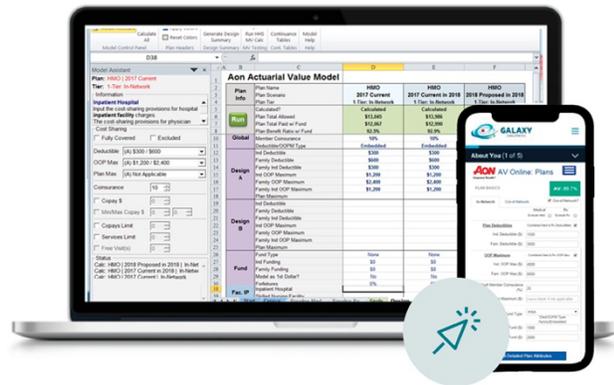
- **Cloud-based solution** evaluates plan design based on a representative sample of 12+ million members in a matter of milliseconds
- **Evaluates** complex multilayer plan designs and interactions between deductibles, out-of-pocket maximums, and cost-sharing provisions
- **Calibrated** and customized to match any underlying population or claims distribution through granular demographic, geographic, utilization, and price adjustments
- **Advanced sharing features** allow each consultant to work with the same designs without passing around Excel files, thereby eliminating document control concerns
- **Full integration** with all our benchmark reporting tools

## 112.08 Required Filings

We will provide the following services in support of the 112.08 required filings for the City.

- Actuarial Development of 3-year claims projection
- Actuarial IBNR development
- Prepare, produce and sign the FL 112.08 and other additional documentation for state notification of self-funded medical program including the following:
  - ✓ The adequacy of contribution rates in meeting the level of benefits provided and the changes, if any, needed in the contribution rates to achieve or preserve a level of funding deemed adequate to enable payment of the benefit amounts provided under the plan and a valuation of present assets, based on statement value, and prospective assets and liabilities of the plan and the extent of any unfunded accrued liabilities
  - ✓ A plan to amortize any unfunded liabilities and a description of actions taken to reduce unfunded liabilities

## Actuarial Value Modeler



- ✓ A description and explanation of actuarial assumptions
- ✓ A schedule illustrating the amortization of any unfunded liabilities
- ✓ A comparative review illustrating the level of funds available to the plan from rates, investment income, and other sources realized over the period covered by the report with the assumptions used
- ✓ A statement by the actuary that the report is complete and accurate and that in the actuary's opinion the techniques and assumptions used are reasonable and meet the requirements and intent of this subsection
- ✓ Other factors or statements as required by the office to determine the actuarial soundness of the plan

Aon has more than 300 healthcare actuarial consultants and actuarial students who provide consulting services to many of our nation's state and local government entities and Fortune 500 companies. In addition to having a broad understanding of the dynamics within the healthcare industry, our healthcare actuaries are responsible for modeling employee contributions, health plan pricing, the impact of plan design changes, and other actuarial calculations. This combination of health knowledge and actuarial mechanics makes our actuaries a valuable resource in assisting organizations with solving their human resources and financial challenges.

### **Reserve Modeling and Contribution**

In addition to IBNP reserves, public sector entities, including many of Aon's public sector clients, often hold an additional reserve, often referred to as a solvency reserve, contingency reserve, catastrophic reserve, adverse claims fluctuation reserve, or restricted reserve. This additional reserve helps to stabilize and maintain the solvency of a self-funded benefit plan. It is their responsibility as the plan fiduciary to ensure the long-term viability of the benefit plan and protect their key stakeholders, including taxpayers, employees, and all members enrolled in the benefit plan. The solvency reserve can be drawn upon to pay claims in excess of anticipated or budgeted claims or can be used to buy-down/reduce future budget rate increases and employee contribution increases.

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*2.2 i Offer additional discounts for phone, car insurance, travel, etc.*

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### **Everyday Benefit Solutions**

Aon's Everyday Benefits technology is unique in the industry. Employees can enroll in the various lifestyle-oriented benefits on our proprietary, intuitive, visually appealing Everyday Benefits platform using multi-modal decision support tools. Our clients find our platform to be a more advanced, efficient and consistent employee experience compared to many other platforms in the market that are not well-integrated and require employees to link out to the various carrier websites.

We have already done the heavy lifting of evaluating the market and negotiating rates. And we make it easy and convenient to implement with no administrative burden on your HR and payroll teams. Associates get access to the benefits they want resulting in improved associate satisfaction.

Everyday Benefits provides access to "lifestyle" focused benefits designed to positively impact your associates' health, wealth, wellbeing, and personal protection such as Auto/Home, Pet, Student Loan Assistance, Caregiver Assistance, Purchasing Programs, and Employee Discounts.

#### **Everyday Benefit Solutions includes:**

- Enhanced rates and discounts
- Anytime enrollment
- Decision support
- Side-by-side quoting
- No bill administration
- Employee communications
- Payroll Deduction

## Value Based Plan Analysis

Aon's proprietary value-based plan analysis weighs price, plan design and population health when recommending or measuring the value of the supplemental health (Critical Illness, Accident, Hospital Indemnity) products. We compare a variety of factors to accurately assess your plan's competitiveness and identify areas for improved coverage and cost. How do we do it?

Review demographics, existing voluntary benefits coverage, population health data, claims utilization and loss ratios to determine most costly gaps in coverage

Achieve significant savings through high volume and carrier competition

Focus on the health events that employees are most likely to experience, thus maximizing utilization



## Long-Term Care Consulting

Aon has a Long-Term Care Task Force that is consistently monitoring legislation and updating our clients as legislation changes or passes in the states that are considering implementing a LTC payroll tax. Aon supported over 43 clients in the State of Washington when the Washington Cares Act was passed in 2019. Based on that experience, we have a proven solution that will bring value to employers and their employees.

## Examples of Completed Projects

### Transparency Project

Steerage to high-quality low-cost providers can help employers reduce the total cost of care and manage their medical trend. There are many vendors in this space with varying models but the common goal for our clients empower employees to be better health care consumers by providing them the tools needed to find the highest quality care at the best price.

The ROI for clients is two-fold. First, employees are getting better care by carefully examining, with the help of a transparency tool, which providers provide the best care and outcomes. Second, they understand the difference in cost between these providers, which saves money for both the member and the client. Furthermore, when employees utilize high quality providers, we typically see lower complication and readmission rates which also drives cost down for both employers and their employees.

The following are the results we experienced with a 5,100 employees Public Entity that introduced a transparency provider that provides education and incentives for using their app and website to choose providers that are highly rated (Green, Yellow, Red) for cost and quality. The statistics below show the utilization by various procedures as well as the financial impact.

- Initial results indicated high utilization, along with driving favorable selection in commodity-based services
- 555 procedures were completed between February 2021 and August 2022
- Top procedures searched are MRI (36%), Gastroenterology (17%), and mammography (13%), Mar 2021 to Feb 2021<sup>2</sup>

These results enabled Aon to project savings approximately \$363K if the client would move On-Campus CT scans, MRIs, mammograms, ultrasounds and X-rays to an Off-Campus facility.

Radiology Services	Off-Campus Utilization (Radiology) <sup>4</sup>		On-Campus	Off-Campus
	Visit Count		Visit Count	Visit Count
	Jan-Aug 2019	Jan-Aug 2021	Jan-Aug 2021	Jan-Aug 2021
CT Scans	9	78	\$935	\$136
MRIs	15	33	\$1,539	\$162
Mammograms	37	572	\$231	\$115
Other	5	85	\$60	\$36
Outpatient Radiology	5	0	\$1,173	\$0
Ultrasounds	16	222	\$92	\$46
X-Rays	13	132	\$118	\$17

### Savings Analysis – Incentive and ROI

Procedure	Total Procedures	Rewards	Savings
Bone Density Scan	13	\$325	\$1,667
Breast Biopsy	1	\$150	\$2,041
Carpal Tunnel Surgery	3	\$750	\$9,004
Cataract Surgery	3	\$450	\$5,283
Colonoscopy	51	\$7,650	\$81,203
CTs	59	\$5,900	\$62,964

Procedure	Total Procedures	Rewards	Savings
Diagnostic Mammogram	16	\$560	\$2,840
Heart Perfusion Imaging	3	\$450	\$5,366
MRIs	87	\$8,700	\$78,012
Non-Obstetric Ultrasound	68	\$2,380	\$13,151
Obstetric Ultrasound	7	\$245	\$892
OP Shoulder Surgery	1	\$350	\$8,904
Repair Finger Tendon	1	\$250	\$2,308
Screening Mammogram	72	\$2,520	\$10,219
Sleep Study	1	\$125	\$1,229
Spinal Fusion	1	\$1,500	\$16,742
Tonsillectomy	2	\$700	\$7,303
Total Hip Replacement	2	\$2,000	\$14,782
Total Knee Replacement	3	\$3,000	\$34,656
Transthoracic Echocardiogram	8	\$600	\$5,412
Upper GI Endoscopy	19	\$2,850	\$40,835
X-Ray	134	\$3,350	\$11,174
<b>Grand Total</b>	<b>555</b>	<b>\$44,805</b>	<b>\$415,987</b>

**Transparency Results Year One**

<b>Total savings:</b>	\$415,987
<b>Rewards:</b>	\$44,805
<b>Net savings:</b>	\$371,182
<b>Total PEPM Fees:</b>	\$125,832
<b>ROI:</b>	2:9:1

**Average Utilization:** 16.3%

*Vendor book of business utilization is 8.1%*

**Potential Expansion**

- Transparency Services covered
- Transparency Rewards paid
- Expert second opinion
- Expanded navigation services



## Live Navigation Project

As healthcare costs continue to rise and the journey employees must take to find the most appropriate care and the most affordable price becomes more and more complex, the need for an advocate to manage more than simple questions has become increasingly effective. Live Navigation provides one number to call when employees need assistance with any aspect of your benefits program. They will:

- Inform and assist members in connecting all aspects of medical plans: prior authorization, Care management, disease management, utilization management, etc.
- Be able to align all benefits for members, increasing efficiency and appropriate utilization.
- For point solutions, such as transparency (discussed in Example One), live navigation can significantly improve engagement and financial results.

This example shows the first-year results of a 4,800-employee public entity. This group had been with their carrier for nearly twenty years but wanted to provide their employees with better service and improve the member experience, physically, emotionally, and financially. As a result, they moved from the carrier model to a TPA model with Live Navigation and the same plan designs. The following outlines the results.

### Empathy and Compassion Create Trust with Navigator

- 16,065 Calls offered, average handle time 11:32, average hold time 2:10
- 9,567 conversations with benefits quoted 1.7 benefits quoted per conversation. 20,666 patient advocacy conversations average 2 topics per conversation
- 82.7% of NPS survey respondents were promoters, compared to Quantum's Book of Business of 81% (must score 9 or 10 out of 10 to be considered a promoter)

### Trust Fosters Member Engagement

- Engagement is above navigator book of business 53.4% vs. 46.5% (members) 66.1% vs 58.2% (employees) 59.3% vs. 53.2% (spouses) 31% vs 27.9% (dependents)
- 96% of high-risk members. 97.9% of members who have claims greater than \$50,000 have engaged with a Care Coordinator; and 55% of whom have engaged with a Nurse Care Coordinator
- 40% of high/moderate risk diabetic members are clinically engaged with a nurse, 88% of high/moderate risk diabetic members are engaged with the navigator. 45% of all cancer members are clinically engaged with a nurse, 94% of all cancer members are engaged.
- Of the 1,649 members identified with a Chronic Condition, 98.9% of those who are high risk are engaged with a Care Coordinator
- 84.9% of High-Cost Members (over \$10k) had navigation assistance 53 days prior to the month in which \$1,000 of claims were paid
- 30-day inpatient re-admission rate 6% vs. national average of 8%

### Member Engagement Impacts Appropriate Utilization

Contributions to the estimated avoided costs<sup>1</sup> during the 2022 Plan Year include:

- Navigator proactive outreach 53 days average before trigger month resulting in an **estimated avoided costs<sup>2</sup> of \$1,717,000**
- 319 members were previously High or Moderate risk migrated to lower Risk Factor risk category; we can attribute **approximately \$501,267 in total estimated migrated risk savings**
- 36 members re-directed to in network providers
- 40 daily concurrent reviews for inpatient stays saved the plan \$145,360 by expediting member discharge when appropriate

# Price Proposal

---

*The price proposal is a presentation of the bidder's total offering price including the estimated cost for providing each component of the required goods or services.*

*Bidders should indicate the dollar amount which will be attributed to each sub-contractor, if any.*

*If a prescribed format for the price proposal is appended, bidders must use it; otherwise, bidders may use formats of their choice.*

---

## Please find completed Required Form E – Pricing Proposal

The structure we use to determine our compensation is flexible. In general, fees are based on associate billing rates which are commensurate with skill and experience levels, combined with the length of time we estimate to service your account. Our services are set forth in a clear scope of services agreement. The service agreement confirms roles and responsibilities, expected deliverables, timelines and the agreed upon amount of compensation. Aon can structure compensation based on the City's preference, which is the reason we have only provided a total compensation figure on Form E. As preliminary negotiation, Aon can include 112.08 actuarial attestation at no additional cost.

Some of our clients appreciate a set annual fee that includes all the services expected during the year. Many of our clients utilize a fee approach with the fees offset by commission approach that allows their employees to participate in the overall cost of managing the program. There may be an advantage in using commissions as this method allows your current employee contribution structure to lessen the financial impact on the City. It also eliminates the need for specific checks to be cut by the City and can provide funding for additional projects outside the current scope, should commissions increase. Regardless of the approach, Aon typically finds that the client receives an enhanced scope of services within the construct of the existing compensation arrangement.

Aon will disclose any and all financial arrangements with vendors associated with the City. Our compensation, negotiations and scope of services are completely transparent and consistent whether we work on a fee or a commission basis.

Aon has a strict transparency policy and places the utmost importance on the value of our services and the results we will achieve with the City. We do so in a variety of ways:

- We clearly define in our client service agreements those activities that are core (included in our fees or commissions) and those that are ad hoc.
- We mutually establish metrics so Aon and its clients can monitor the value of our specific services.
- We deliver an annual stewardship report that describes our activities and the results we have created with the City as well as where we are heading in the future.
- We disclose all fees and commission schedules and require written client approval of these fees and commissions before binding coverage.

Clients receive and acknowledge the annual Comprehensive Disclosure Statement, which outlines compensation for insured products, such as base commissions and/or PEPM fee compensation, other direct or indirect compensation received by Aon, and National Additional Commissions, prior to placing or renewing business. Clients are notified of any changes to previously disclosed compensation within 60 days of the date when Aon is informed of such changes.

Aon's Health Solutions practice does not accept contingent compensation. If our policy on accepting contingent compensation changes, we will notify the City at that time.

# REQUIRED FORM E - PRICING PAGE

Instructions: Complete the spreadsheet by populating the fields in blue with both the Commission Rate and a Fixed Fee Rate for each line.

Fully Insured Plans		Estimated Premium Volume	Commission Rate	Fixed Fee Option
	Health	\$28,000,000.00/3,584 lives		
	Life	\$346,518.00/3,587 lives		
	Stop Loss	\$700,000.00/1,993 lives		
\$ -				
Voluntary Benefits	Dental	\$795,510.60/1,440 lives		
	Voluntary Life	\$492,318.36/1,714 lives		
	Vision	\$150,528.72/1,124 lives		
\$ -				
<b>Self-Funded Options</b>				
Administrative Services Only	Fees	\$1.2 million		
Stop Loss		\$700,000.00		
\$ -				
All Services Single Fee				\$219,800

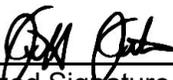
NOTE: If travel is involved in the execution of an awarded contract for this solicitation, should any air travel be required the City's travel policy allows for Coach air travel only. All other travel will be billed in accordance with the Federal General Services Administration rates which can be found at:

<https://www.gsa.gov/travel/plan-book/per-diem-rates>

In addition, printing, and other administrative costs may be billed at cost only -no mark-up. Evidence of these expenditures will be submitted when invoicing the City. Travel and administrative costs should be identified in the Price Proposal.

NOTE: The city reserves the right to award this bid on the basis of each line individually, any combination of line items or all line items combined as it determines to be in its best interest. The city reserves the right to not award any line item as it determines to be in its best interest.

NOTE: The city reserves the right to add or delete locations, services, items, or materials from this contract should it be in the best interest of the city. The contract price may be adjusted upon agreement of the contractor and the city's representative and based upon bid prices.

  
 \_\_\_\_\_  
 Authorized Signature  
 Title: Vice President  
 Name of Company: Aon Consulting, Inc.  
 Date: October 31, 2023

# Required Forms

- Attachment Package:
  - ✓ Required Form A - Respondent Verification Form
  - ✓ Required Form B - Drug Free Workplace Form
  - ✓ Required Form C - E-Verify Certification Form
  - ✓ Required Form D - Required Form D – References Form
- Signed Addendum 1

**REQUIRED FORM A  
RESPONDENT VERIFICATION FORM**

**INVITATION TO NEGOTIATE  
RMDX-230059-GD  
BROKER AND BENEFITS CONSULTING SERVICES  
FOR HEALTH AND GROUP LIFE PLANS**

**1. RESPONDENT CONTACT INFORMATION**

Legal Name of Respondent's Company (as reported to IRS): Aon Consulting, Inc.

DBA: Aon

Authorized Representative Name/Title: Jeff Jinks, Vice President

E-mail Address: jeff.jinks@aon.com

Street Address: 4010 Boy Scout Boulevard, Suite 200

City, State, Zip: Tampa, FL 33607

Mailing Address (if different): \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone: ( 813 ) 636-3000 Fax: ( 813 ) 636-3010

**2. DECLARATIONS OF DEBT AND DEFAULT**

a. Respondent is not in arrears to City upon any debt, fee, tax or contract:

Respondent is NOT in arrears

Respondent IS in arrears

b. Respondent is not a defaulter, as surety or otherwise, upon any obligation to City:

Respondent is NOT in default

Respondent IS in default

**3. ACKNOWLEDGEMENT OF ADDENDA**

Respondents who receive this bid from sources other than City of Gainesville Procurement Division or DemandStar.com MUST contact the Procurement Division prior to the due date to ensure any addenda are received in order to submit a responsible and responsive offer. Uploading an incomplete document may deem the offer non-responsive, causing rejection.

ADDENDA ACKNOWLEDGMENT: Prior to submitting this offer, I have verified that all addenda issued to date are considered as part of my offer.

Addenda received (list all) # 1

# REQUIRED FORM A

## 4. LOCAL PREFERENCE (Refer to 8.2 for qualifying information)

Local Preference requested:

YES

NO

A copy of your *Business Tax Receipt* must be included in your submission if you are requesting Local Preference:

## 5. QUALIFIED SMALL BUSINESS AND/OR SERVICE DISABLED VETERAN BUSINESS STATUS

(Refer to 8.3 for qualifying information)

a. Is your business qualified, in accordance with the City of Gainesville's Small Business Procurement Program, as a local Small Business?  YES  NO

b. Is your business qualified, in accordance with the City of Gainesville's Small Business Procurement Program, as a local Service-Disabled Veteran Business?  YES  NO

## 6. FEDERAL EMPLOYMENT IDENTIFICATION NUMBER

FEIN: 22-2232264

## 7. REGISTERED TO DO BUSINESS IN THE STATE OF FLORIDA

Is Respondent registered with Florida Department of State's, Division of Corporations, to do business in the State of Florida?  YES  NO (refer to Part 1, 1.6, last paragraph)

If the answer is "YES", provide a copy of SunBiz registration or SunBiz Document Number (# F000003266)

If the answer is "NO", please state reason why: \_\_\_\_\_

## 8. DIVERSITY AND INCLUSION

Does your company have a policy on diversity and inclusion?  YES  NO

If yes, please attach a copy of the policy to your submittal.

*Note: Possessing a diversity and inclusion policy will have no effect on the City's consideration of your submittal, but is simply being requested for information gathering purposes.*

By signing this form, I acknowledge I have read and understand, and my firm complies with all General Conditions and requirements set forth herein; and,

Proposal is in full compliance with the Specifications.

Proposal is in full compliance with the Specifications except as specifically stated and attached hereto.

SIGNATURE OF AUTHORIZED REPRESENTATIVE: \_\_\_\_\_



SIGNER'S PRINTED NAME: Jeff Jinks

DATE: 10/31/2023

# REQUIRED FORM B DRUG-FREE WORKPLACE

The undersigned respondent in accordance with Florida Statute 287.087 hereby certifies that

Aon Consulting, Inc.

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does:

Name of Respondent

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for the drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.



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Respondent's Signature

October 31, 2023

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Date

# REQUIRED FORM C E-VERIFY CERTIFICATION FORM

If awarded:

The Contractor shall comply with all applicable requirements of Section 448.095, Florida Statutes, including but not limited to: 1) the Contractor shall register with and use the U.S. Department of Homeland Security's E-Verify system to verify the work authorization status of all new employees of the Contractor during the term of this Agreement; and 2) the Contractor shall expressly require any subcontractors performing work or providing services pursuant to this Agreement to likewise register with and use the U.S. Department of Homeland Security's E-Verify system to verify the work authorization status of all new employees of the subcontractor during the term of this Agreement. Section 448.095, Florida Statutes, states the statute must be construed in a manner that is fully consistent with any applicable federal laws or regulations, and therefore this section does not apply to this Agreement to the extent that this section would be inconsistent with any federal laws or regulations that are applicable to this Agreement.

As the person authorized to sign the statement, I certify that this bidder complies fully with the above requirement.

Aon Consulting, Inc.  
Bidder's Name

Jeff Jinks, Vice President  
Printed Name/Title of Authorized Representative

  
Signature of Authorized Representative

10/31/2023  
Date

## REQUIRED FORM D - REFERENCES

Name of Respondent: Aon Consulting, Inc.

Provide information for three (3) references of similar scope performed within the past five (5) years. You may include photos or other pertinent information.

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#1 Year(s) services provided (i.e. 1/2015 to 12/2018): 1/2013 to Present

Company Name: School District of Manatee County

Address: 215 Manatee Avenue West

City, State Zip: Bradenton, FL 34205

Contact Name: Tracy Moore

Phone Number: (941) 708-8770 x41154 Fax Number: \_\_\_\_\_

Email Address: moore13T@manateeschools.net

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#2 Year(s) services provided (i.e. 1/2015 to 12/2018): 1/2004 to Present

Company Name: School Board of Sarasota County

Address: 1960 Landings Blvd.

City, State Zip: Sarasota, FL 34231

Contact Name: Lynn Peterson

Phone Number: 941) 927-9000 x32315 Fax Number: \_\_\_\_\_

Email Address: Lynn.Peterson@sarasotacountyschools.net

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#3 Year(s) services provided (i.e. 1/2015 to 12/2018): 1/2020 to Present

Company Name: State of Florida - Division of State Group Insurance

Address: 4050 Esplanade Way

City, State Zip: Tallahassee, FL 32399

Contact Name: Greg Mauldin

Phone Number: 850-921-4590 Fax Number: \_\_\_\_\_

Email Address: greg.mauldin@dms.fl.gov

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# **City of Gainesville**

Financial Services Department  
Procurement Division

**Addendum Publish Date:** October 20, 2023

## **BROKER AND BENEFITS CONSULTING SERVICES FOR HEALTH & GROUP LIFE PLANS ITN-RMDX-230059-GD ADDENDUM NO. 1**

**Bid Due Date:** November 1, 2023 3:00pm (EDT)

**NOTE:** The original Specifications remain in full force and effect except as revised by the following changes which shall take precedence over anything to the contrary.

1. Please find attached:
  - a. A copy of the Cone of Silence period information (Financial Procedures Manual Section 41-424 Prohibition of lobbying in procurement matters) that was discussed.
2. Following are the City's responses to questions received by the deadline, (3:00pm, October 18, 2023):

A. Question:

What is the rationale for pursuing a move from self-funding to fully insured? Have there been specific claims, risk or administrative issues?

Answer:

The City continues to research ways to reduce health insurance costs, yet provide as robust of a plan as we can for our City Employees/Retirees; therefore, our desire is to review all options available to remain as fiscally responsible as we can to our taxpayers. There is also the possibility that offering a multi-plan health benefit option may impact the ability to effectively self-fund the program due to the loss of critical mass necessary for a shared risk approach.

B. Question:

Is it acceptable to complete Required Form E – Pricing Page with only the “All Services Single Fee” block completed?

Answer:

Yes, the City will consider any and all pricing formats.

C. Question:

Although the minimum qualification indicates experience with organizations with at least 3,500 and 5,000 members, can you provide the number of benefits eligible and enrolled employees by line of coverage?

Answer:

Refer to the solicitation, Exhibit 2 page 35.

D. Question:

Is the Pricing Page (Form E) the only requirement for 4.1.c or do you require specific pricing for “each component of the required goods or services”?

Answer:

See #B above



# City of Gainesville

Financial Services Department  
Procurement Division

E. Question:

Do you have a separate actuarial contract?

Answer:

Yes

F. Question:

Which actuarial firm currently performs the City's annual 112.08 filing of actuarial soundness with the State of Florida for the City's self-funded health plan?

Answer:

Wakely and Associates conducts this work.

G. Existing company questions

a. Q. Who is the incumbent consultant and can you provide their compensation/contract?

A. There is no incumbent; the City has selected an Administrator via direct solicitations in accordance with City procurement policies.

b. Q. Does the City currently work with a consultant and/or broker? If yes, please provide a copy of the current contract including scope of services and current compensation structure.

A. See above

c. Q. If compensation is paid via flat fee, what is annual compensation amount? If compensation is set by line of coverage, please provide by line including stop loss.

A. N/A

d. Q. If compensation is commission based, please provide the percentage of commission by line of coverage and estimated annual premium for each line including stop loss.

A. Not applicable, see above

H. Question:

Does the City have a benefits committee for which we will provide regular reports/content and/or be required to attend meetings on a regular basis?

Answer:

There is not a formal Committee, but the successful bidder should expect to have periodic meetings with City Staff.

I. Question:

Are City Council or administrative meetings (outside regular open items and strategy meetings) required? If so, is there a regular cadence?

Answer:

There will be at least the probability of attendance of at least one Commission meeting annually to discuss options and/outcomes. The City Commission meets twice a month on the first and third Thursday of the respective month.

J. Question:

Although not outlined in the Scope of Work, is employee communication required?

Answer:

Yes, the City would like the successful vendor to help with Employee engagement as part of the assessing options part of the process.



# City of Gainesville

Financial Services Department  
Procurement Division

K. Question:

What is the City's Benefits Administration platform? Is support or RFP development required for Benefits Administration?

Answer:

The City expects the vendor to solicit options from the market and provide those options to the City for consideration, including self-funded administrative services options.

L. Question:

If no formal agreement, please state who receives commissions on the City's various lines of coverage.

Answer:

The City does not pay commissions to agents on any of our products; however, they may receive commissions for the companies they are contracted with.

M. Question:

Are there any services or vendor/subcontracted services paid for by the current broker/consultant? If so, please describe the service and provide the annual cost by identified service

Answer:

No

N. Question:

Does the City offer any additional coverage options for medical to retirees other than the group plan offered to active employees? If so, please advise which.

Answer:

Yes, the City has Medicare Supplement options for retirees who are Medicare Eligible. That program is not part of this solicitation.

O. Question:

Which vendor currently administers the City's *Employee Health Services* center and provides the nurse practitioner? Are these services available to both retirees and employees? Please provide additional details.

Answer:

Employee Health Services staffed and managed by City Staff. Yes, services are available to both Active and Retired employees. The services offered are varied and range from preventative to convenient care level interventions.

P. Question:

Scope of work – page 5, section 2.2 a specifically states “Control health and group life plan costs for the City” as part of the Scope of Work – will the awarded proposer also assist the City with oversight of all other benefits (i.e. Vision, Dental, FSA, Voluntary life, STD and legal shield)?

Answer:

That is to be determined, in the initial year the focus will be on the Health Benefit offering and options.



# **City of Gainesville**

Financial Services Department  
Procurement Division

**Q. Question:**

Page 7, 2.2 e – Please provide additional details of what is expected in terms of “premium development support?” Is the City requesting these services be performed by an Actuary?

**Answer:**

The City is looking at multiple plans and/or modifying the current plan benefit model and will need support determining the change in benefit on premium. The City has engaged or utilized an Actuary in the past to estimate the savings associated with benefit changes but that has been some time ago.

ACKNOWLEDGMENT: Each Proposer shall acknowledge receipt of this Addendum No. 1 by his or her signature below, **and a copy of this Addendum to be returned with proposal.**

**CERTIFICATION BY PROPOSER**

The undersigned acknowledges receipt of this Addendum No. 1 and the Proposal submitted is in accordance with information, instructions, and stipulations set forth herein.

PROPOSER COMPANY NAME: Aon Consulting, Inc.

SIGNATURE: 

LEGIBLY PRINT NAME: Jeff Jinks

DATE: October 31, 2023

# Additional Information

*Any additional information or data which Bidder deems essential to the proposal and for consideration should be included in a separate section of the submittal titled "Additional Information". Additional information presented for consideration should include additional costs to the district. If there is no additional information to present, state in this section: "There is no additional information that Bidder wishes to present."*

## Audit Expertise

Aon's audit group was formed over 35 years ago when we originated and implemented the first-ever medical plan audits for our clients. We have steadily built our audit expertise since that time and continue our industry leadership role today as we complete hundreds of audit-related projects each year. These projects include regular medical, dental, vision, and FSA audits, as well as implementation audit projects involving those products or benefit programs.

Aon's audit group is composed of consultants who conduct audits full time. Our consultants have an average of more than 20 years of healthcare insurance industry experience. The colleagues involved in various types of audits bring specialty expertise to their tasks: the audit team performing medical, dental, and vision audits perform these audits regularly; colleagues performing pharmacy audits are pharmacy experts, etc.



The Aon colleagues involved in the different types of audits bring specialty expertise to their tasks: the audit team performing medical, dental, and vision audits perform these audits regularly; colleagues performing pharmacy audits are pharmacy experts, etc.

## Number of Audits Performed

Aon's auditors perform the following volume of audits annually:

Pharmacy audit engagements = 1,000 annually

Medical/dental/vision/FSA = 240 in 2022; 211 audits in 2021

## Approach

We evaluate participant claims that were processed by the vendor compared to the plan document. Audits are performed for the following reasons:

To assure fiduciary responsibility in a self-insured environment

To improve vendor service levels and performance guarantees

To identify financial savings

To validate that programs are delivering as expected

Aon's auditors will look for programming accuracy, payment accuracy, and quality objectives — and will recommend corrective actions if needed.

Results from an audit can vary and often provide valuable insights prompting corrective actions:

 Services Not Correctly Tracking to Plan Limits (e.g., Physical Therapy, Chiropractic Care)	 Incorrect Case Management Protocols	 Advanced Radiology Services Having Incorrect Benefit Level Applied
 Issues With Co-Payments and Benefit Levels for Office Services	 Issues With Deductible and Out-of-Pocket Accumulations (e.g., HDHP & Rx)	 Specialty Pharmacy Claims Incorrectly Applied to Medical Plan Instead of Pharmacy Plan (or vice versa)
 Incorrect COB Resulting From Administrators' Handling of Medicare Sequestration	 Incorrect Co-Payment Amounts for Emergency Room Services or Co-Payments Omitted	 Medical Services Paid as Emergency Services in Error

## Audit Methodology/Process

At a high level, our proposed approach for performing the City's various audits is as follows:

Our audit standards, with Aon service objectives, are used to assess performance:

**Financial Accuracy:** The dollar impact of errors

**Overall Accuracy:** The total accuracy of claim handling

**Payment Accuracy:** The frequency of financial errors

**Turnaround Time:** The timeliness of payments

Claims are comprehensively tested to assess:

- Claimants' eligibility for benefits at the time of service
- Completeness of healthcare service, provider, and member data captured by the administrator
- Appropriate discounts and fees applied to the claim
- Correct application of the client's plan provisions
- Application of utilization review/other cost management practices

Assessing the quality and effectiveness of an administrator's plan management services involves a detailed review of the following operational areas:

### **Facility Organization and Staffing**

- ✓ Client/membership growth
- ✓ Technology capabilities
- ✓ Experience of claims and customer service teams
- ✓ Offshore operations

### **Claim Administration**

- ✓ Mailroom operations
- ✓ Claim adjustment handling
- ✓ Overpayment recovery processes
- ✓ Coordination of benefits and third-party liability administration
- ✓ Out-of-network savings arrangements

### **Customer Service**

- ✓ Service availability
- ✓ Participant self-service capabilities
- ✓ Smart phone capabilities
- ✓ Email handling
- ✓ First-call resolution/open inquiry closure service metrics
- ✓ Recent performance

### **Audit Programs**

- ✓ Claim processor and customer service representative audits
- ✓ High-dollar reviews
- ✓ Performance guarantees
- ✓ Self-reported performance

We have found the approach highlighted above works effectively during our audit projects. Many of our clients conduct audits for their self-insured programs at least every three years.

# Appendix

Staff Resumes

Aon Sample Contract

Respondent's W-9

Aon Response to Terms and Conditions

## Jeff Jinks

Vice President, Account Executive

7650 W Courtney Campbell Causeway, Suite 1000  
Waterford Plaza  
Tampa, FL 33607  
Office +1.813.636.3556  
Mobile +1.813.546.6715  
jeff.jinks@aon.com



### Responsibilities

Jeff is a Vice President in the Health & Benefits Practice and the Market Development Leader of the Tampa office. He has responsibility for leading client teams, ensuring client satisfaction and retention, as well as developing and delivering solutions across Aon practices.

Specific client responsibilities include vendor management, procurement and negotiations, compliance, employee communication and financial reporting. Jeff is also responsible for Board presentations and Benefits Committee representation.

### Experience

Prior to joining Aon in 2001, Jeff worked for 12 years with Prudential, managing a branch as well as a book of benefits clientele. His experience at Prudential also included Corporate Marketing, Training and Development, Affinity Marketing, and Group Benefits. During his 32 years in the industry, Jeff has delivered employee benefits consulting and financial services to clients as well as developed internal and external business strategies.

Jeff's experience with clients crosses industry and practice lines. He has over 30 years of employee benefits experience with both Prudential and Aon. Early clients were under 50 life groups and encompassed hands-on enrollments, retirement planning, financial planning, business continuation and personal lines of coverage. He has been P&C, NASD Securities as well as LA&H licensed during his tenure and has extensive middle market and public sector experience.

Jeff has specific experience with all lines of group benefits as well as voluntary benefit enrollment and communication to include Benefits Administration technology.

Previous to his Tampa Health & Benefits Account and Market Development responsibilities, Jeff led the Aon Consulting U.S. Sales Operations team, integrating our national technology, marketing, practice and sales disciplines. From 2002 to 2006, he led the Southeast Region Sales Team.

### Education

Jeff holds a B.S. degree in Industrial Management from Clemson University.

## Amy Booher

Project Manager, Lead Consultant, Assistant Vice President

7650 W. Courtney Campbell CSWY, Suite 1000

Tampa, FL 33607

Office +1.813.636.3025

Mobile +1.813.410.1786

[amy.booher@aon.com](mailto:amy.booher@aon.com)

### Responsibilities

Amy is a Lead Consultant in Aon's Health Solutions practice in the Tampa, Florida office. Her role with the account will be that of Project Manager and will work closely with the Account Executive; manage the Aon team, workflow, and resources; provide day-to-day client support; execute the client plan; monitor carrier market conditions; manage vendor relationships and support open enrollment.

### Experience

Amy has been with Aon for over 8 years, with fifteen years industry experience. Prior to joining the Total Rewards industry Amy had a background in customer service management. This experience helps her tackle any complexities that clients are facing, and she works to maximize all Aon resources to bring the best Total Reward solutions to her clients.

Amy's can-do attitude and creative problem solving gives her clients effective results with a hands-on approach. Knowledgeable across all arenas of health and welfare, Amy contributes a distinctive value for her clients' success.

### Expertise

Amy's expertise includes an understanding of public sector as well as private sector employer challenges. She works collaboratively with her team to deliver strategies to optimize benefit outcomes with an emphasis on delivering financial results. Amy has experience working from both a consulting and client perspective.



### Education

Amy earned a Bachelor's in Arts from University of South Florida and holds an active Life, Health and Annuity License (2-15) through the State of Florida.

## Emily Alchin

Assistant Vice President

7650 W. Courtney Campbell Causeway, Suite 1000  
Tampa, FL 33607  
Mobile +1.727.335.9325  
emily.alchin@aon.com



### Responsibilities

Emily is an Assistant Vice President within Aon’s Tampa Health Solutions practice. In her role as lead consultant, she is responsible for overseeing all areas assigned to support clients’ benefit programs, managing the workflow and resources on the Aon team, and works closely with the account executive. A self-declared problem-solver, Emily works directly with clients to provide solution-oriented consulting for items ranging from compliance, financial management, vendor management, and strategic planning.

### Experience

Emily joined Aon in 2017 starting as an analyst. Throughout her time at Aon, she has worked on clients in the mid-to-large-market space, focusing primarily on public sector. Prior to joining Aon, Emily worked in group benefit sales for ancillary product lines.

She first began working in the industry in 2015.

### Expertise

Emily’s expertise includes an understanding of public sector as well as private sector employer challenges. She works collaboratively with her teams to execute strategies and deliver on financial goals. She has a thorough understanding of self-funded plan administration and is knowledgeable across all areas of health and welfare programs.

### Education

Emily has a Bachelor of Science in criminology and criminal justice from the Florida State University and holds an active Life, Health and Annuity License (2-15) through the State of Florida.

## Kara Lesnikowski

Consultant

Aon -MCS# 17299

P.O. Box 551343

Atlanta, GA 30355

Phone + 1.919.368.9628

kara.a.lesnikowski@aon.com



### Responsibilities

Kara is a consultant in the Health Solutions practice supporting the Tampa team. She is currently supporting middle market clients. Specific client responsibilities include supporting client inquiries, strategy, and marketings as well as developing and maintaining partnerships with vendors in order to best assist client initiatives.

### Experience

Kara began her career in the industry, with Alight Solutions, in 2017. She has six years of experience in health and benefits with a strong background in benefits administration and vendor management. She also worked for Fidelity Investments as a benefits analyst before coming to Aon.

### Expertise

Kara has experience partnering with fortune 150 employers on design, implementation, and day to day benefits administration. She has managed delivery of multiple vendor solutions and HRIS partners within the healthcare ecosystem.

### Education

Kara received her Bachelor's degree in Business Administration with a concentration in Human Resources from North Carolina State University

## Ed Vargas

Senior Vice President, Resident Managing Director  
7650 W. Courtney Campbell Causeway, Suite 1000  
Tampa, FL 33607  
Mobile +1.305.915.9093  
ed.vargas@aon.com



### Responsibilities

Ed is Aon's Resident Managing Director in greater Florida. In this role, he oversees the offices that make up the Florida market, which include Jacksonville, Tampa, and Miami. He is ultimately responsible for client retention and revenue growth for the market. His other key responsibility is to ensure that Aon consulting teams within the Health Solutions practice have the knowledge, tools, and training to service the 150+ clients managed in the Florida market. Ed is also the National PEO industry council leader for Aon. In this role, he oversees a team of seven highly skilled PEO professionals and works within that team to manage PEO clients.

### Experience

Ed joined Aon in 1996. He has experience in employee benefits consulting with specializations in client/carrier negotiations, underwriting analysis, financial strategy, executive benefits, and communications. Prior to joining Aon, Ed served as vice president at Sedgwick Noble James and senior account manager at Blue Cross Blue Shields of Florida.

### Expertise

Ed has expertise in underwriting, medical exchange markets, ACA compliance consulting, wellness, financial analysis, financial strategy, plan structuring (PSC), and actuarial services. His additional areas of oversight include regulatory compliance, vendor management, communication strategy, and financial and eligibility audits.

### Education

Ed attended Florida International University where he majored in business administration. Florida.

## Brendan Creedon

Florida Health Solutions Practice Leader

Senior Vice President

701 Brickell Avenue, Suite 3200

Miami, FL 33131

Office +1.305.702.3064

Mobile +1.813.417.2641

brendan.creedon@aon.com



### Responsibilities

Brendan is the Local Practice Leader for Aon's Florida Health Solutions group which includes the Jacksonville, Miami and Tampa offices. He focuses on growth, retention, and offering the best of Aon to clients through the Aon United approach. Brendan believes in investing, nurturing, and supporting all Aon colleagues and strives to create a highly engaged team focused on strong relationships and growth opportunities.

### Experience

Brendan has been with Aon for 12 years, beginning in Aon's Tampa office prior to moving into our Private Equity practice in Jacksonville in 2014 and most recently Miami in 2021.

Prior to the Local Practice Leader role, Brendan co-led the creation of Aon's Health Solution Private Equity vertical; he remains heavily involved in Aon's Private Equity business through his role as the South Region Leader.

### Expertise

Brendan's expertise includes: private equity, merger and acquisitions, benefit harmonizations, financial analysis, middle market, public and private sector.

### Education

Brendan earned a Bachelor's degree in Economics from the University of Tampa

## Amanda Brooke Kross, ASA, EA, MAAA

Lead Actuary, Assistant Vice President

9345 Frangipani Drive

Vero Beach, FL 32963

Office +1.772.579.1346

amanda.brooke.kross@aon.com



### Responsibilities

Amanda Brooke is an assistant vice president in Aon's Health Solutions Consulting practice and financial lead for the Florida market. As an actuary, Amanda consults with clients regarding many aspects of their employee benefits programs, performing a variety of actuarial analyses, such as: actuarial projections, IBNR calculations, plan design analysis, and contribution strategies.

### Experience

Amanda Brooke first began working in the industry in 2001 and has over 16 years of experience in the design and financing of employee benefit programs. Her actuarial and consulting experience includes pricing, projections, renewal negotiations, claims reserve modeling, Florida 112.08 filings, and plan design consulting.

Prior to joining Aon in 2006, Amanda was a retirement and health actuary with Bryan, Pendleton, Swats, and McAllister.

### Expertise

Amanda Brooke's expertise is in health and benefits consulting for both middle and large market clients from both the private and public sectors, specializing in Florida-based clients.

### Education

Amanda Brooke is a graduate of Vanderbilt University, having earned a Bachelor of Arts with a double major in mathematics and economics.

Her professional designations include ASA (Associate of the Society of Actuaries), an EA (Enrolled Actuary), and MAAA (Member of the American Academy of Actuaries).

## Phil DeNucci, R.Ph.

Vice President, Pharmacy Services

8200 Tower Suite 1100  
5600 W. 83rd Street  
Bloomington, MN 55437  
Office +1.651.389.5664  
phillip.denucci@aon.com



### Responsibilities

Phil is a Vice President within Aon's National Pharmacy Practice. In this role, he is responsible for helping self-funded employers, labor, public sector and coalition accounts manage their pharmacy benefits programs. He also provides support across the organization for product development, new business opportunities, and staff training and support.

### Experience

Prior to joining Aon, Phil's roles include over 12 years at PCS (now Caremark), and Medco (now Express Scripts) as well as consulting projects with national PBMs and health plans. He led the pharmacy program at Definity Health (now part of United Health) integrating multiple PBM platforms with medical and financial information to support the nation's first integrated consumer-driven health care benefits. Client-facing roles over the years include management of self-funded employer, health plan, union and state employees.

Phil is a career-long member of the Academy of Managed Care Pharmacists and has presented at their national meetings multiple times and served as a member of the Health Information and Technology Advisory Committee.

### Education

Phil holds a B.S. degree in Pharmacy from the University of Minnesota.

# Master Services Agreement

This Master Services Agreement, including the General Terms and Conditions and any Schedules attached hereto or incorporated by reference, (collectively, the “Agreement”), effective the           day of          , 20     (“Effective Date”), sets forth the terms and conditions related to the provision of consulting services to **[Client]** and its affiliates (collectively, “Client”) by Aon Consulting, Inc. and its affiliates (“Aon”).

This Agreement will cover all services provided by Aon to Client (“Services”) as documented in a Schedule. In addition, affiliates of Aon may provide Services to Client by executing a Schedule (as defined below) to this Agreement. The General Terms and Conditions of this Agreement may be amended only by a writing signed by the parties. Terms related to specific Services and the fees associated therewith may be added by Schedules. Each statement of work, email, engagement letter, attachment to this Agreement mutually agreed upon between the parties that contains a description of Services constitutes a “Schedule” to this Agreement. Each Schedule shall be deemed to incorporate all of the terms of this Agreement, except as expressly set forth therein. Each Schedule will be a separate agreement between Aon (or an affiliate of Aon) and Client (or an affiliate of Client). Only the entities that sign a Schedule shall be liable for their respective obligations under that Schedule. For the avoidance of doubt, the effective date of each Schedule shall be set forth therein.

Any notices which may be required under this Agreement shall be considered as having been given if mailed by U.S. First Class mail, addressed as follows:

If to Client:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn.: \_\_\_\_\_

If to Aon:  
Aon  
200 East Randolph Street  
Chicago, IL 60601  
Attn.: Law Department

IN WITNESS WHEREOF, authorized representatives of the parties have executed this Master Services Agreement:

**[Client]**  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Aon Consulting, Inc.**  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

# General Terms and Conditions

## 1. Fees and Expenses

- a) Fees for Services shall be charged in accordance with the appropriate Schedules detailing the Services or, if no Schedule or other writing applies, fees will be determined on a time and materials basis in accordance with Aon's standard billing rates and the value of our services based on our time, complexity, and the level of skill and urgency required.
- b) Fees and expenses are due and payable within thirty (30) days of the invoice date. Aon will invoice Client via email, and all payments will be made via electronic payment. Client will promptly notify Aon of any questions regarding invoices so that Aon can expect timely payment. Interest at four percent (4%) per year will accrue after the invoice due date until payment is received.
- c) Client shall pay all reasonable travel and related living expenses incurred by Aon's personnel in performing Services for Client. Miscellaneous costs not directly allocable to Client (including research, knowledge management, information networks, and databases), are added to all service fees at Aon's then standard rate (currently 7%).
- d) Client shall pay any and all taxes, however designated, that are based on this Agreement or on the charges set forth in any Schedule, except for taxes based on the net income of Aon or employment taxes for Aon personnel.

## 2. Additional Services and/or Change in Services

Client may, at any time, request additions and/or changes to the Services. Such additions and/or changes, including any fees or fee adjustments related to such additions and/or changes, shall be confirmed between the parties and may be documented with a Schedule, an amended Schedule, or other mutually agreeable writing.

## 3. Term and Termination

- a) This Agreement shall commence on the Effective Date set forth above and shall continue until terminated by either party as provided in Section 3.b) or Section 3.c). Services under a particular Schedule shall commence as of the date indicated on the Schedule and shall continue for the period stated in such Schedule or until terminated by either party as provided in Section 3.b) or Section 3.c).
- b) Either party may terminate this Agreement, any Schedule or any Service for convenience at any time upon sixty (60) days prior written notice to the other party.
- c) Either party may terminate this Agreement, or any Schedule or Service (or any part thereof), for cause upon thirty (30) days prior written notice to the other party, provided that such other party shall have the opportunity to cure any breach within such thirty (30) days.
- d) Upon the effective date of termination, Client will pay Aon for all fees and expenses due hereunder in connection with the terminated Services through the effective date of termination including any unpaid Service implementation fees or expenses and any mutually agreed upon transition assistance extending beyond such termination.
- e) Completion or termination of any Schedule or Service under this Agreement shall not constitute termination of this Agreement, it being the intent of both parties to leave this Agreement in effect until terminated as specified herein. Each Schedule shall terminate upon the earlier of its termination date or the termination date of this Agreement, provided however, if the term of a Schedule extends beyond the termination date of this Agreement, the applicable terms of this Agreement shall extend automatically for such Schedule until such Schedule's termination or expiration date.

## 4. Delays

Neither party will be in breach of this Agreement or any Schedule as a result of, nor will either party be liable to the other party for, liabilities, damages, or other losses arising out of delays in performance caused by acts of God, government authority, strike or labor disputes, fires or other loss of facilities, breaches of contract by suppliers or others, telephone system, or Internet service provider or other utility outages, pandemics, epidemics, equipment malfunctions, computer downtime, and similar occurrences outside the control of the party as long as such party is diligently attempting to correct the cause of the delay. During any such delay in performance, the delayed party will implement reasonable work-around plans, computer system disaster recovery, alternate sources, or other commercially reasonable means to facilitate the performance of its obligations under this Agreement until the delay has ended or failure has been corrected.

## 5. Ownership and Control of Data and Work Product

- a) Aon has created, acquired or otherwise has rights in, and may, in connection with the performance of Services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques (including, without limitation, function, process, system and data models); templates; software systems, user interfaces and screen designs; general purpose consulting and software tools; websites; benefit administration systems; and data, documentation, and proprietary information and processes ("Aon Information").
- b) All right, title and interest in and to any data, information and other materials furnished to Aon by Client hereunder ("Client Information") are and shall remain Client's sole and exclusive property. Client grants to Aon a license to use such Client

Information to provide the Services. Except as provided below, upon full and final payment to Aon hereunder, any Aon work product which the parties expressly agree is created solely and exclusively by Aon for Client to be owned by Client (the "Deliverables"), if any, shall become the property of Client. To the extent that any Aon Information is contained in any of the Deliverables or provided in connection with the Services, subject to the terms of this Agreement, Aon hereby grants to Client a paid-up, royalty-free, nonexclusive license to use such Aon Information solely for Client's internal use in connection with the Deliverables or Services, as applicable.

- c) To the extent that Aon utilizes any of its property, including, without limitation, the Aon Information, in connection with the performance of Services, such property shall remain the property of Aon and, except for the limited license expressly granted in the preceding paragraph, the Client shall acquire no right or interest in such property. Client will honor Aon copyrights, patents, and trademarks relating to Services, Deliverables and Aon Information, and will not use Aon's name or other intellectual property without Aon's prior written consent.
- d) Nothing contained in this Agreement will prohibit Aon from using any of its general knowledge or knowledge acquired under this Agreement (excluding Client's Confidential Information) to perform similar services for others.

## 6. Confidentiality

- a) For the purposes of this Agreement, "Confidential Information" includes: (i) the terms of this Agreement (including any Schedules); (ii) Client Information; (iii) Aon Information; (iv) oral and written information designated by a party as confidential prior to the other party obtaining access thereto; and (v) oral and written information which should reasonably be deemed confidential by the recipient whether or not such information is designated as confidential. Each party's respective Confidential Information will remain its sole and exclusive property.
- b) Each party will use reasonable efforts to cause its employees to minimize distribution and duplication and prevent unauthorized disclosure of the Confidential Information of the other party. Each party agrees that only employees, contract employees, board members, and outsourced service providers who have a need to know the Confidential Information of the other party will receive such Confidential Information. Aon may disclose Client Confidential Information to Aon affiliates to the extent necessary for the Services; provided, that Aon remains responsible for compliance by any affiliates in receipt of Confidential Information with the terms of this Section. No party will disclose the other party's Confidential Information to a third party without the prior written consent of the other party, which consent may be conditioned upon the execution of a confidentiality agreement reasonably acceptable to the owner of the Confidential Information, except that either party may disclose the other party's Confidential Information to its legal counsel and auditors. Aon may use Client's Confidential Information in combination with other client data, including the disclosure of such information to third parties on an aggregated and de-identified basis, provided that no such Client Confidential Information is (1) identifiable by Client or a Client employee or (2) attributable to Client. Aon may also disclose Client's Confidential Information to any subcontractor or, as instructed by Client, to any other third party providing services to Client under this Agreement as reasonably necessary for such subcontractor or third party to perform its services, provided that any such subcontractor is subject to a confidentiality agreement. In accordance with applicable legal and disaster recovery requirements, each party may store copies of Confidential Information in electronic archives or backups made in the ordinary course of business which shall not be returned or destroyed but shall remain subject to the restrictions set forth herein.
- c) Confidential Information does not include information if and to the extent such information: (i) is or becomes generally available or known to the public through no fault of the receiving party; (ii) was already known by or available to the receiving party prior to the disclosure by the disclosing party; (iii) is subsequently disclosed to the receiving party by a third party who is not under any obligation of confidentiality to the party who disclosed the information; or (iv) has already been or is hereafter independently acquired or developed by the receiving party without violating any confidentiality agreement with or other obligation to the party who disclosed the information.
- d) The receiving party may disclose Confidential Information of the disclosing party if required to as part of a judicial process, government investigation, legal proceeding, or other similar process, provided that the receiving party has given prior written notice (to the extent legally permitted) of such requirement to the disclosing party. Reasonable efforts will be made to provide this notice in sufficient time to allow the disclosing party to seek, at disclosing party's sole cost and expense, an appropriate confidentiality agreement, protective order, or modification of any disclosure, and the receiving party will reasonably cooperate in such efforts.

## 7. Representations and Responsibilities

- a) Aon represents that it: (i) shall, at all times during the term of this Agreement, remain in material compliance with all laws and regulations applicable to it as a service provider, including any required licenses, permits, or registrations, necessary for Aon to be able to perform the Services; (ii) shall, to the extent Aon's performance of the Services does not comply in any material respect with the terms of this Agreement and is not due to Client's failure to perform, re-perform any defective or non-conforming Services; and (iii) has no outstanding commitment or agreement to which it is a party or legal impediment of any kind known to it which is likely to limit, restrict, or impair the rights granted to Client

hereunder. If a potential conflict should arise, Aon will discuss the situation with Client. The Services are not of a legal nature, and Aon will in no event give, or be required to give, any legal opinion or provide legal representation to Client.

- b) Client will submit to Aon all Client Information in Client's control necessary for Aon to perform the Services covered by this Agreement. Client will maintain in compliance with applicable law any and all benefit plan legal documents related to the Services. Client is responsible for the accuracy and completeness of any and all Client Information that is submitted to Aon. Client agrees to notify Aon as soon as possible of any problems or errors in Client Information submitted. Services performed by Aon in correcting such problems or errors are additional services for which additional fees will be payable.
- c) Except as expressly set forth in a Schedule, Aon is not a fiduciary within the meaning of the Employee Retirement Income Security Act (ERISA) or other legislation. Aon has no discretion with respect to the management or administration of Client's employee benefit plans, and/or control or authority over any assets of Client's employee benefit plans, including the investment of those assets. All such discretion and control remain with Client and other fiduciaries to Client's employee benefit plans.

## 8. Indemnification

- a) Subject to Section 9, Aon shall indemnify and hold Client harmless from and against any and all damages, losses, liabilities, and expenses (including reasonable attorneys' fees and expenses) (collectively, a "Loss" or "Losses") arising from Aon's failure to comply with the applicable terms and conditions of this Agreement (regardless of whether such Loss is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose, statutory liability or otherwise).
- b) Provided that Client promptly notifies Aon of a claim that the Aon Information infringes a presently issued U.S. patent or copyright, Aon will defend such claim at its expense and will indemnify Client for any costs and damages that may be awarded against Client in connection with such claim. Aon will not indemnify Client, however, if the claim of infringement results from (i) use of other than the most recent version of the Aon Information made available to Client by Aon; (ii) Client's alteration of the Aon Information; (iii) use of any Aon Information in combination with other software not provided by Aon; or (iv) use of Aon Information in contravention of this Agreement.
- c) Subject to Aon's indemnity obligations in Section 8(a) and (b), Client shall indemnify, defend, and hold Aon harmless from and against any and all Losses arising from (i) claims made by third parties, including, without limitation, Client's employees, affiliates, and plans with respect to the Services provided hereunder, or (ii) Client's failure to comply with the applicable terms and conditions of this Agreement.
- d) Any claim under this Section 8 must be asserted before the date that is three (3) years following the date the claimant knew or reasonably should have known of the act or omission giving rise to the claim. The parties agree that each party's obligation to indemnify the other pursuant to this Section 8 is subject to each party's agreement to use reasonable efforts to mitigate its own, as well as the other party's, liability, damages, and other losses suffered in connection with and arising out of this Agreement.

## 9. Liability

- a) If Client suffers Losses (regardless of whether such Loss is based on breach of contract, tort, strict liability, breach of warranties, failure of essential purpose, statutory liability or otherwise) as a result of Aon's breach of its obligations hereunder with respect to Services performed pursuant to a Schedule, Aon will be liable to Client for Losses incurred by Client during each sequential 12-month period in which the applicable Schedule is in effect, commencing as of the first day of the provision of services thereunder ("Schedule Year") up to an amount equal to the total fees paid or to be paid for such Schedule Year under the applicable Schedule.
- b) The limitations on Aon's liability contained in Section 9(a) will not apply to Losses arising from: (i) Aon's willful, fraudulent or criminal misconduct; (ii) Aon's breach of the confidentiality provisions of this Agreement resulting in unauthorized use, access or disclosure of Confidential Information; (iii) bodily injury, including death, or damage to tangible personal or real property incurred while Aon is performing the Services and to the extent caused by the negligent or willful acts or omissions of Aon's personnel or agents in performing the Services; or (iv) the infringement of the proprietary rights of a third party by use of the Aon Information contemplated hereunder.
- c) In no event will either party be liable to the other party for incidental, consequential, special, or punitive damages (including loss of profits, data, business or goodwill, or government fines, penalties, taxes, or filing fees), regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose, statutory liability or otherwise, and even if advised of the likelihood of such damages.
- d) Notwithstanding the foregoing, as applicable to the Client and the Services, Aon will not be liable to Client for any amounts for which Client or any of its employee benefits plans would have been responsible to pay irrespective of any act, error or omission by Aon, including interest adjustments.
- e) To the extent permitted by law, all claims and Losses between the Parties relating to, directly or indirectly, or arising from this Agreement (including the Services), however caused, regardless of the form of action and on any theory of liability,

including contract, strict liability, negligence or other tort, shall be brought under this Agreement and shall be subject to the terms of this Agreement.

#### 10. **Dispute Resolution**

- a) Except as provided in Section 13.h), the following procedures shall be used in the event of any dispute or controversy arising out of or relating to this Agreement. All negotiations between the parties conducted pursuant to the dispute resolution process described herein (and any of the parties' submissions in contemplation hereof) shall be kept confidential by the parties and shall be treated by the parties and their respective representatives as compromise and settlement negotiations for purposes of the applicable court rules of evidence.
- b) The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. Either party may give the other party written notice of any dispute not resolved in the ordinary course of business. Within fifteen (15) days after delivery of the notice, the party receiving the notice shall submit to the other a written response.
- c) Within thirty (30) days after delivery of the notice, the designated executives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one party to the other shall be honored in a timely fashion.
- d) If the matter in dispute has not been resolved within sixty (60) days after delivery of the notice, or if the parties fail to meet within thirty (30) days, the dispute shall be referred to more senior executives who have authority to settle the dispute and who shall likewise meet in an attempt to resolve the matter in dispute. If the matter has not been resolved within thirty (30) days after it has been referred to the more senior executives, or if no meeting of such senior executives has taken place within fifteen (15) days after such referral, either party may seek alternative legal remedies as it deems appropriate.

#### 11. **Insurance**

- a) **Coverage.** Aon shall maintain, at all times during the term of this Agreement, the following minimum insurance coverages and limits:
  - i) Workers' Compensation and related insurance as prescribed by the law of the state in which the Services are to be performed;
  - ii) General Liability in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
  - iii) Professional Liability in the amount of \$1,000,000 per claim and in the aggregate; and
  - iv) Network Security and Privacy Liability, either as a separate policy or as part of the Professional insurance policy, in the amount of \$1,000,000 per claim and in the aggregate.
- b) **Best Rating.** Aon will place such insurance with carriers possessing a B+VII or better rating, as rated in the A.M. Best Key Rating Guide for Property and Casualty Insurance Companies.

#### 12. **Successors and Assigns**

This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of Aon and Client. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed, except a party may assign its rights and obligations to an affiliate entity controlled by, controlling, or in common control with the assigning party.

#### 13. **Miscellaneous**

- a) The headings used herein are for convenience only and will not affect the interpretation of this Agreement.
- b) This Agreement has been entered into for the sole benefit of Client and Aon, and in no event will any third-party benefits or obligations be created thereby.
- c) This Agreement and any Schedule hereunder may be executed in two or more counterparts, each of which will be deemed an original for purposes of this Agreement or the Schedule.
- d) The relationship between the parties is that of independent contractors. Nothing in this Agreement will be deemed or construed to create a joint venture, agency, or partnership between the parties for any purpose or between the partners, officers, members, or employees of the parties by virtue of either this Agreement or actions taken pursuant to this Agreement. Aon personnel will remain Aon's employees for all purposes, including, but not limited to, determining responsibility for all payroll-related obligations.
- e) Aon may enter into subcontracts to perform a portion of the Services under this Agreement provided that Aon shall remain responsible for the acts or omissions of such subcontractors as if such subcontracted activities had been performed by Aon.
- f) Aon may include Client and its trademarks and logos on Aon's customer lists, proposals and other communications not intended for general distribution.

- g) It is expressly understood and agreed that the obligations of Sections 5, 6, 8, 9, 10, 12, and 13 herein, as well as all payment obligations arising on or before the date of termination or expiration of the term of this Agreement, will survive the termination or expiration of this Agreement.
- h) Each party acknowledges that its failure to comply with the confidentiality and ownership provisions will cause the aggrieved party irreparable harm for which the aggrieved party may not have any adequate remedy at law, and that the aggrieved party shall be entitled to seek equitable relief, including injunction and specific performance, as a remedy for any actual or threatened breach of the confidentiality or ownership provisions of this Agreement..
- i) In the event of any action to construe or enforce this Agreement or any portion thereof, the prevailing party will be entitled to recover, in addition to any charges fixed by the court, its costs and expenses of suit, including reasonable attorneys' fees and expenses.
- j) If any provision of this Agreement or portion thereof is declared invalid, the remaining provisions will nevertheless remain in full force and effect.
- k) In the event any terms of any Schedule conflict with the terms contained in these General Terms and Conditions, the terms of such Schedule will prevail.
- l) This Agreement will be construed and enforced in accordance with the internal laws and judicial decisions of the State of New York, excluding its conflict of laws rules that would refer to and apply the substantive laws of another jurisdiction. To facilitate judicial resolution and save time and expense, the parties irrevocably and unconditionally agree not to demand a trial by jury in any action, proceeding or counterclaim arising out of or relating to the Services or this Agreement.
- m) This Agreement, including any Schedules and the materials incorporated herein from time to time, constitutes the entire agreement of the parties and supersedes all previous oral or written negotiations and agreements relating to the subject matter hereof (including the subject matter of such Schedules). For the avoidance of doubt, this Agreement also supersedes the terms and conditions in any purchase order, engagement letter or general consulting services agreement between Aon and Client regarding the Services covered by this Agreement unless Aon and Client expressly agree that the terms of such orders, letters or agreements shall control over this Agreement. There have been no representations or statements, oral or written, that have been relied on by any party hereto except those expressly set forth herein.

*[End of Document]*

Form **W-9**  
 (Rev. October 2018)  
 Department of the Treasury  
 Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p><b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.                  Aon Consulting, Inc.</p> <p><b>2</b> Business name/disregarded entity name, if different from above</p> <p><b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.</p> <p> <input type="checkbox"/> Individual/sole proprietor or single-member LLC                         <input checked="" type="checkbox"/> C Corporation                         <input type="checkbox"/> S Corporation                         <input type="checkbox"/> Partnership                         <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____  <b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.  <input type="checkbox"/> Other (see instructions) ▶ _____                 </p>	<p><b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) <u>5</u></p> <p>Exemption from FATCA reporting code (if any) <u>E</u></p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p><b>5</b> Address (number, street, and apt. or suite no.) See instructions.                  200 E. Randolph Street</p> <p><b>6</b> City, state, and ZIP code                  Chicago, IL 60601</p> <p><b>7</b> List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p>

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>												
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2	2	-	2	9	4	5	4	6	9			

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶	DocuSigned by: <i>Melinda Misanko</i>	Date ▶ 12-17-2021
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

**Aon Consulting, Inc**  
**Contracting Response for the City of Gainesville**  
**ITN RMDX-230059-GD**

Aon Consulting, Inc. (“Aon” or “we” or “us”) understands the contractual and regulatory requirements that City of Gainesville (“the City” or “you” or “your”) must comply with, but we have generally found most government and quasi-governmental entities have enough flexibility in their terms to negotiate and address Aon’s business and legal concerns. We have included the below comments with regard to an agreement between you and us. In the event that we are selected as the winning bidder, we would like to have a discussion with you about the contracting process and jointly determine the appropriate path forward to reaching an agreement. You can expect Aon to employ a very partnering and flexible approach to the contracting and negotiation process. We find the following provisions are generally those that we frequently discuss with our clients during negotiations though there may be other details to discuss based on the nature of the services to be provided. We have attached our standard consulting agreement for your review.

**Termination**

Aon requests that this provision be mutual. In addition, in the event of a termination for cause, Aon would like to propose a mutually agreeable time period for both parties to cure any defaults.

**Indemnification and Limits of Liability**

Aon will to the extent practical and reasonably necessary, perform corrective services to the extent that it makes an error in the performance of services. Aon is willing to accept liability for its errors up to an agreed upon annual cap. For other breaches of the Agreement (such as intellectual property infringement, criminal misconduct, willful misconduct, etc.), Aon is willing to accept total liability. Aon is willing to accept only direct liability in connection with the Agreement, and therefore, to the extent permitted by law, Aon expects to be indemnified by our clients from and against all third-party claims (including, most significantly, claims by a client’s plan participants) relating to Aon’s services. To the extent that any third-party claims causes losses, damages, etc. to our clients, Aon will be liable for such losses, damages, etc. subject to the limitations described above. Aon expects a mutual exclusion for any consequential and indirect damages.

**Insurance**

Aon has in place insurance policies that are applicable to its operations and with limits meeting the requirements requested. We have found that certain additional insurance requirements requested by clients may not be appropriate for our services, and would not be agreed to by our industry’s insurance carriers.

**Proprietary Information and Confidentiality**

Subject to applicable FOIA obligations, Aon recognizes and is highly sensitive to the confidential nature of the information it is provided regarding its clients and their participants. Accordingly, Aon imposes stringent confidentiality obligations on its personnel. Aon employs numerous procedures and safeguards to ensure that such information remains confidential, and we are happy to discuss the safeguards Aon places on our client’s information. Given the value to Aon of its proprietary information, we would expect the inclusion of mutual confidentiality provisions. Aon requires some flexibility with regard to the use of client’s information in a de-identified and aggregate format and would need to keep a copy of all information for archival purposes.

**Ownership**

In order to continue its provision of consulting services to our clients, current and prospective, Aon must retain sufficient ownership rights in its proprietary information and know-how. Aon builds upon its proprietary information and know-how, which in turn distinguishes Aon from its competitors and enables us to better serve our clients. Consequently, Aon retains ownership of its underlying technology (whether pre-existing or newly developed), while our clients are granted a license to use such materials as they are embedded in any deliverables. Our clients will continue to own all information that they provide to Aon to perform the services, and any final deliverable, subject to the licensing rights of embedded Aon proprietary information.

**Audit**

Aon is willing to support annual financial audits at its cost and expense upon reasonable notice. In addition, Aon would like to modify any audit language to ensure that confidentiality is maintained with regard to any documents that are inspected or subject to audit. With respect to assistance with additional audits, depending on the nature and frequency, Aon would like to reserve the right to discuss and negotiate at the time of the request or have any additional audits considered as additional services, billed at our then standard billing rates.

**Assignment**

Aon requests the right to subcontract or assign tasks under an agreement to an Aon affiliate and/or subsidiary in common control with Aon.

**Payment Terms**

Aon requests that any payment terms include an interest rate of 4% per annum applied to late payments. In addition, Aon requires its clients to pay a miscellaneous expense amount at Aon's then standard rate (currently 7%), to cover miscellaneous client-related expenses.

**Warranty**

Aon stands behind its work and the resulting deliverables. Aon is occasionally subject to lawsuits and claims arising in the normal conduct of its business. None of such prior lawsuits or claims has had, and management does not expect the outcome of any pending matter to have, a material adverse effect on the business, financial condition or results of operations of the company.

## About Aon

Aon plc (NYSE: AON) exists to shape decisions for the better—to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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The information contained herein and the statements expressed are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information and use sources we consider reliable, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

[www.aon.com](http://www.aon.com)