



REQUEST FOR PROPOSALS

No. R08-132JJ

PROVIDE EMPLOYEE BENEFIT PLAN CONSULTING SERVICES

FOR
THE CITY OF COLORADO SPRINGS,
COLORADO SPRINGS UTILITIES & MEMORIAL HEALTH
SYSTEM

PRE-PROPOSAL CONFERENCE

A Pre-Proposal Conference is not scheduled for this solicitation

PROPOSALS ARE DUE NO LATER THAN CLOSE OF BUSINESS

January 6, 2009

Contact

Jennifer Jones, CPPB
Contracting Specialist II
Colorado Springs, CO 80903-2599
(719) 385-5265
FAX (719) 475-8477
jjones@springsgov.com

INDEX

SECTION I	PROPOSAL INFORMATION
SECTION II	MINIMUM SPECIFICATIONS
SECTION III	PROPOSAL CONTENT
SECTION IV	EVALUATION FACTORS
SECTION V	CONTRACT GENERAL TERMS
SECTION VI	APPENDICES/EXHIBITS

TABLE OF CONTENTS

TABLE OF CONTENTS	3
SECTION I	5
1.0 PROPOSAL INFORMATION	5
1.1 RFP ISSUE DATE	5
1.2 JOINT SOLICITATION	5
1.3 PROPOSAL INFORMATION	5
1.4 SUBMISSION OF PROPOSAL	5
1.5 PRE-PROPOSAL CONFERENCE	5
1.6 NUMBER OF COPIES	5
1.7 PROPOSAL INFORMATION	5
1.8 CONFIDENTIAL OR PROPRIETARY INFORMATION	6
1.9 AMENDMENTS	6
1.10 WITHDRAWAL OR MODIFICATION OF OFFERS	6
1.11 ACCEPTANCE	6
1.12 PROPOSAL PREPARATION COST	6
1.13 AWARD	7
1.14 CONTRACT ADMINISTRATION	7
1.15 INQUIRIES	7
1.16 PERFORMANCE PERIOD	7
1.17 DEBRIEFING	7
1.18 SCHEDULE OF EVENTS	7
1.19 TERMINOLOGY	8
SECTION II	9
2.0 SCOPE OF WORK/SPECIFICATIONS	9
2.1 OVERVIEW	9
2.2 BACKGROUND	9
CURRENT BENEFIT CONSULTING SERVICES BEING PROVIDED	10
2.3 PHASE 1 - CONSULTANT SERVICES CONTRACT FROM APRIL 2009 THROUGH DECEMBER 2009	10
2.4 ENGAGEMENT COSTS	13
SECTION III	14
3.0 PROPOSAL CONTENT	14
3.1 PROPOSAL FORMAT	14
3.2 ORGANIZATIONAL BACKGROUND AND OVERVIEW	14
3.3 STATEMENT OF QUALIFICATIONS	14
3.4 Project Narrative	15
3.5 Financial Requirements	15
3.6 REFERENCES	15
3.7 SUBMITTALS	15
3.8 AWARD	16
3.10 EXCEPTIONS	16
3.11 INSURANCE REQUIREMENTS	16
SECTION IV	17
4.0 EVALUATION CRITERIA	17
4.1 SELECTION COMMITTEE	17
4.2 AWARD OF CONTRACT	18
SECTION V	19
5.0 CONTRACT TERMS AND CONDITIONS	19
SECTION VI	20
6.0 APPENDICES/EXHIBITS	20
EXHIBIT 1 PROPOSAL CHECK SHEET	21
EXHIBIT 2 EXCEPTIONS	22
EXHIBIT 3 MINIMUM INSURANCE REQUIREMENTS	23
EXHIBIT 4 SAMPLE CONTRACT	24

CITY OF COLORADO SPRINGS

EXHIBIT 5	MEDICAL PLANS, SERVICE & CARRIER		32
EXHIBIT 6	COST PROPOSAL	34	
EXHIBIT 7	CITY OF COLORADO SPRINGS PLAN COMPARISONS & RATES		37
EXHIBIT 8	COLORADO SPRINGS UTILITIES PLAN COMPARISONS & RATES		46
EXHIBIT 9	MEMORIAL HEALTH SYSTEM PLAN COMPARISONS & RATES		59

SECTION I

1.0 PROPOSAL INFORMATION

1.1 RFP ISSUE DATE

Request for Proposal (RFP) Number R08-132JJ is being issued and posted on the City's web-site www.springsgov.com/contracting on December 5, 2008.

1.2 JOINT SOLICITATION

This is a joint solicitation for the City of Colorado Springs (City), Colorado Springs Utilities (Springs Utilities) and Memorial Health System (Memorial). The City of Colorado Springs will be the lead agency for this solicitation and all questions shall be submitted to the City Contracting Specialist listed in paragraph 1.15.

1.3 PROPOSAL INFORMATION

Section I provides general information to potential applicants on subjects such as where to submit proposals, number of copies, amendments, proprietary information designation, and other similar administrative elements.

1.4 SUBMISSION OF PROPOSAL

- a. **Sealed offers** are to be submitted to:
- Jennifer Jones
 - Contracting Specialist II
 - 30 S. Nevada Avenue, Suite 201
 - Colorado Springs, CO 80901

*****NO LATE OFFERS WILL BE ACCEPTED*****

- b. **Date/Time:** Proposals shall be received on or before **Close of Business, January 6, 2009.**
- c. **Identification of Proposal:**
Proposals shall be submitted in a sealed envelope(s) or container(s) with the solicitation number, date for submission of offer and the offeror's name clearly marked on the outside of the envelope(s) or container(s).
- RFP No. R08-132JJ Benefit Consulting Services**
Due Date: **January 6, 2009, Close of Business**
Company: _____
- d. Any offer that is submitted without being properly marked may be opened for identification prior to the deadline for receipt of offerors and then resealed.

1.5 PRE-PROPOSAL CONFERENCE

A pre-proposal conference/meeting is not scheduled for this solicitation.

1.6 NUMBER OF COPIES

Applicants shall submit one (1) unbound original set and **eight (8)** copies of the proposal documents. This will greatly facilitate the evaluation process. The proposal shall remain the property of the City of Colorado Springs. The **unbound original** copy shall be clearly marked '**ORIGINAL**'.

1.7 PROPOSAL INFORMATION

- A. All questions regarding proposal preparation, the selection process, specifications, and interpretations of the terms and conditions of the RFP shall be submitted in writing no later than **seven (7) calendar** days prior to the deadline for submission of offers.

- B. Following the award of a contract, responses to this solicitation may be subject to release as public information unless the response or specific parts of the response can be shown to be exempt from public information. Applicants are advised to consult with their legal counsel regarding disclosure issues and take the appropriate precautions to safeguard trade secrets or any other proprietary information. The City of Colorado Springs assumes no obligation or responsibility for asserting legal arguments on behalf of potential applicants.
- C. This is not a public bid opening, therefore, the City of Colorado Springs will not release any information pertaining to the number of offers received, names of respondents, or pricing until an award is made. The City of Colorado Springs will confirm receipt of your proposal if requested.

1.8 CONFIDENTIAL OR PROPRIETARY INFORMATION

If an applicant believes that parts of an offer are confidential, then the applicant must so specify. The applicant must stamp in bold letters the term CONFIDENTIAL on that part of the offer which the applicant believes to be confidential. The applicant must submit in writing specific detailed reasons, including any relevant legal authority, stating why the applicant believes the material to be confidential. Vague and general claims as to confidentiality will not be accepted. The City of Colorado Springs will be the sole judge as to whether a claim is general and/or vague in nature. All offers and parts of offers, which are not marked as confidential, will be automatically considered public information after the contract is awarded. The successful offer may be considered public information even though parts are marked confidential.

1.9 AMENDMENTS

Amendments to this RFP may be issued at any time prior to the time set for receipt of proposals. The applicants are required to acknowledge receipt of any Amendments (addenda) issued to this RFP by returning a signed copy of each amendment issued. Signed copies must be received on or before the time set for receipt of offers (see 1.4 above).

The City of Colorado Springs will post all addenda on the City's web-site www.springsgov.com/contracting. It is the Offeror's responsibility to check the web-site for posted addenda or contact the Contracting Specialist listed to confirm the number of Amendments which have been issued.

1.10 WITHDRAWAL OR MODIFICATION OF OFFERS

Any applicant may modify or withdraw an offer in writing at any time prior to the deadline for submission of an offer (see 1.4 above).

1.11 ACCEPTANCE

- A. Any offer received shall be considered an offer, which may be accepted by the City of Colorado Springs based on initial submission without discussions or negotiations.
- B. By submitting an offer in response to this solicitation, the applicant agrees that any offer it submits may be accepted by the City of Colorado at any time within 60 calendar days from the date of submission deadline (see 1.1 above). The acceptance period of 60 calendar days from the date of submission will automatically be extended for an additional 60 calendar days unless the offeror expressly states in its proposal that the acceptance period is limited to the initial 60 calendar day period.
- C. The City of Colorado Springs reserves the right to reject any or all offers and to waive informalities and minor irregularities in offers received, and/or to accept any portion of the offer if deemed in the best interest of the City of Colorado Springs. Failure of the applicant to provide in its offer any information requested in the RFP may result in rejection for non-responsiveness.

1.12 PROPOSAL PREPARATION COST

The cost of proposal preparation is not a reimbursable cost. Proposal preparation costs shall be at the

applicant's expense and are the applicant's total responsibility.

1.13 AWARD

The City of Colorado Springs intends to make an award using the evaluation criteria listed in the RFP to determine the best value including price and other factors in the proposal submitted (see Section IV for evaluation elements).

1.14 CONTRACT ADMINISTRATION

The City of Colorado Springs Risk Management Division, Colorado Springs Utilities Human Resources, and Memorial Health System Human Resources shall be jointly responsible for the administration of the contract and for compliance with the interpretation of scope, scheduled services and cost compliance.

1.15 INQUIRIES

Questions about the RFP shall be in writing and directed to Jennifer Jones, at the following address. A written response to any inquiry will be provided in the form of an Amendment to the solicitation. See 1.9 Amendments.

Jennifer Jones, CPPB
Contracting Specialist II
City Contracts Office
30 S. Nevada Ave. Suite 201
Colorado Springs, CO 80901
Telephone (719) 385-5265
Fax: (719) 475-8477
E-mail jjones@springsgov.com

The preferred method of submitting questions is by e-mail to the Contracting Specialist.

1.16 PERFORMANCE PERIOD

The performance period for this project is April 1, 2009 through December 31, 2009 with the option to renew four (4) additional one (1) year periods at the City's, Springs Utilities, or Memorial's discretion. It should be noted that the City, Springs Utilities and Memorial reserve the right to opt out of the joint contract if it is not deemed to be advantageous to the entity.

1.17 DEBRIEFING

Offerors not selected or placed on a short list may request a debriefing on the selection process as well as discussion of the strengths and weaknesses of their firm's proposal upon receipt of notification that their firm was not selected or short listed. Firms that were on the short list but not selected may request a debriefing after they have been notified that another firm was selected.

A debriefing may be scheduled by contacting the Contracting Specialist listed above in 1.15. The Contracting Specialist must receive a written request for debriefing no later than ten (10) calendar days after notification that your firm was not selected.

1.18 SCHEDULE OF EVENTS

The Request for Proposal schedule of events is tentatively scheduled as follows:

Advertise Requirement	December 5, 2008
Issue Request for Proposal	December 5, 2008
Pre-proposal Conference	None scheduled
Written Questions Due Date	December 30, 2008
Proposal Submittal Due Date	January 6, 2009
Short List Selection (optional)	January 2009
Interviews (optional)	February 2009
Award of Contract (Letter of Intent)	March 2009

Commence Full Service

April 1, 2009

1.19 TERMINOLOGY

Throughout this solicitation the terms bidder, offeror or proposer shall mean the firm responding to this solicitation. The term Invitation for Bid (IFB) may be used within this solicitation, the Special Provisions, the General Provisions, the Specifications or the Plans. These references have not been individually corrected to indicate Request for Proposals due to formatting issues and time constraints only. However, all contractors responding to or reviewing this solicitation are hereby advised that this solicitation is a Request for Proposals (RFP) and shall be received, considered, evaluated and awarded based on the City's Procurement Rules and Regulations related to Requests for Proposals (RFP) and as indicated in Section IV of this solicitation..

By submitting a Proposal in response to this solicitation, contractors understand that this solicitation will be awarded based on "Best Value" to the City of Colorado Springs as specified in Section IV, evaluation Criteria and Contract Award.

SECTION II

2.0 SCOPE OF WORK/SPECIFICATIONS

2.1 OVERVIEW

Through this Request for Proposal (RFP), the City of Colorado Springs (hereinafter referred to as "City") and Colorado Springs Utilities (hereinafter referred to as "Springs Utilities"), and Memorial Health System (hereinafter referred to as "Memorial") are seeking proposals from responsible and qualified firms to provide Employee Benefit Plan Consulting Services for the City, Springs Utilities and Memorial's employee benefit plans.

While there are many differences in plan administration and plan designs for each entity, our short- and long-term goals and objectives are very similar. It is anticipated that each entity may continue working independently in some benefit areas while identifying opportunities for common approaches in other benefit management areas. Each enterprise has determined that it would be desirable for all entities to utilize the services of the one common benefits consultant who would become familiar with each organization and help identify and prioritize the opportunities to come together on some joint benefit projects.

It is desired that the chosen consultant work to foster the ongoing spirit of cooperation between the three entities and to further promote a collaborative working relationship. In many respects, the member populations of all three entities are very similar and, as a result, it is to the shared advantage of each to foster a mutually-beneficial relationship.

2.2 BACKGROUND

The City of Colorado Springs (City) Colorado Springs Utilities (Springs Utilities) and Memorial Health System (Memorial) are three separate public enterprises of the City of Colorado Springs. Each operates with different philosophies, business goals and objectives and through differing governance arrangements. Each entity may have differing priorities or objectives. At times these different priorities and objectives can pose unique challenges for the shared benefits consultant.

The City is governed by a City Manager reporting to an elected City Council. Colorado Springs Utilities is managed by an appointed Chief Executive Officer of the utility which is accountable to the Utilities Board, comprised of the elected City Council members. Memorial Health System is owned by the citizens of Colorado Springs also and with guidance from the City Council, Board of Trustees, and Executive Team, Memorial seeks to fulfill its mission to build a healthy community. Each entity budgets benefit funding separately, subject to the approval of the Council and/or respective board so authorized. Memorial Health System's mission is to provide the highest quality health care.

The enterprises each manage separate self funded benefit accounting for the self-insured plans (medical, dental and vision). In the past City and Springs Utilities contracted jointly and today have some common vendors partners for some services. For more information about the contracts currently in place and for which benefit services are included, please see Exhibit 5.

Each enterprise has its own internal advisory committee for managing their individual financial management duties which will continue to be reviewed using separate consultant contracts. Initially for the period contracted from April 1, 2009 through December 31, 2009, the scope of responsibilities under this contract would be to attend regular joint enterprise committee meetings. The joint enterprise committee consists of HR staff of each enterprise. The function of the joint committee is to evaluate and work with a consultant to identify opportunities to come together on more benefit initiatives over time. Therefore we do not anticipate that this consultant contract will involve the individual financial health fund reporting duties typical of a benefits consultant contract during 2009.

The current eligibility management, operations, and administration of each organization are handled independently by each entity for their employees. Each entity maintains a separate payroll system and HRMS. City uses PeopleSoft, Springs Utilities and Memorial use Lawson FHAS (Financial Human Analytic System).

Each entity provides benefits professionals to work collaboratively on plan management activities to balance employee desires and needs with costs, funding, and to keep up with trends in health care and benefits. Each entity manages eligibility and plan documentation and accounting separately.

CURRENT BENEFIT CONSULTING SERVICES BEING PROVIDED

Below are the major areas of consulting services needed by City/Springs Utilities/Memorial on an on-going basis during 2009.

2.3 PHASE 1 - CONSULTANT SERVICES CONTRACT FROM APRIL 2009 THROUGH DECEMBER 2009

2.3.1. 2009 SERVICES TO COMMENCE UNDER A JOINT CONTRACT IN APRIL 2009:

- Evaluate a proposed Memorial Hospital onsite clinic program including services, administration, cost/benefit and funding for each enterprise on the assumption that each entity would utilize the onsite clinic program as a feature of employee benefits. The comprehensive evaluation would include determining the advantages and disadvantages to each organization based on value and cost savings that would reasonably be expected from such an initiative.
- Evaluate a proposed onsite retail pharmacy program, located at designated City and/or Memorial sites, including a comprehensive evaluation of the providers, costs and savings that each entity could reasonably expect from such an initiative.
- Design and cost out one or more common medical plan option(s) that could be offered to all employees of City, Springs Utilities, and Memorial with consideration to the health plans that each entity may desire to retain in the future. The common plan could be a limited plan featuring the onsite clinic and pharmacy program while retaining network contracts currently in place or moving in the direction of CDHP or HSAP..
- For more information about the current plans for 2009 and rate tables, see the Exhibits 7, 8 & 9.
 - Memorial has two medical plans, M-Care and M-Care 2
 - Utilities has three medical plans, a hybrid CDHP with a high deductible and HRA, and two PPOs with lower deductible and HRA
 - City has two medical plans, and EPO and EPO mid-level
- Evaluate funding requirements of such plan option(s) and potential adverse selection against the plans to be retained going into 2010 for any options that may be identified by the consultant in tandem with the joint committee.
- Each enterprise has different funding rates and contribution sharing levels currently, but there may be an opportunity to develop more similar contribution strategies in the future. The consultant would be helpful in evaluating opportunities to move toward more similar contribution strategies for their health plans.
- Evaluate in sourcing and outsourcing options as directed by the City, Springs Utilities, and Memorial joint committee. This is a role that is difficult to define presently by the City, Springs Utilities, and Memorial because the joint committee has not specifically prioritized the opportunities for insourcing or outsourcing, but by attending the regular joint committee meetings we would expect the consultant to guide us on which priorities may make the most sense to pursue based on common goals and philosophies.
- RFP evaluation for those that may be identified after commencement of initial contract. At this time there are no RFP's planned for 2009 by the joint committee. Please do not build contingency fee into the offer for RFPs for 2009. If an RFP is identified after the

commencement of the contract you will be asked for a quote for the defined scope of work and an amendment to the 2009 contract will be negotiated and issued.

- Evaluate mental health parity implications and potential DCM expansion for Memorial and Springs Utilities. City is already engaged with ProCare and Memorial and Springs Utilities would need to consider this program in light of the passage of the mental health parity to take effect Jan 1, 2010.

2.3.2 PHASE 2 - 2010 SERVICES FOR ALL THREE ENTERPRISES COMBINED:

Beginning Jan 1, 2010, assuming this contract is renewed for a one year option, the scope of services would change to a full consulting service contract including the below intended scope of services, which will be performed for each enterprise individually and jointly as appropriate. The decision to implement Phase 2 of this contract will be determined by August 2009 by the joint committee.

For purposes of this RFP, please quote on the below assumed scope of services for 2010 separately from the quote for Phase 1 (April 2009 – December 2009). Please build in contingencies considering you would be working with three distinct organizations under one shared contract. It should be noted that the City, Springs Utilities and Memorial reserve the right to opt out of the joint contract if it is not deemed to be advantageous to the entity.

CONSULTING

Provide counsel, advice and recommendations about benefit design, plan provisions, offerings, and programs provided to employees, including self-insured and insured products and services on an on-going basis. Provide City/Springs Utilities/Memorial with information and advice on new developments and innovations in employee benefits. Think out of the box, seek opportunities aggressively, and share those ideas with City/Springs Utilities/Memorial leadership.

Meet with City, Springs Utilities and Memorial Human Resources staff as needed, a minimum of six and a maximum of ten meetings per organization. Attend vendor meetings at regular intervals, if necessary, to monitor operations issues, advise City/Springs Utilities/Memorial staff on operational issues if requested, and assist staff in determining ways to resolve operations problems.

Establish an annual service plan including resource allocation and projected hours. Provide regular updates on consulting activities and progress on the annual service plan. Prepare a written update on service plan activities semi-annually.

Maintain strong relationship with City/Springs Utilities/Memorial staff and foster partnerships and synergies between service vendors and City/Springs Utilities/Memorial staff.

FINANCIAL REPORTING

Gather claims and enrollment data from vendors and/or from Human Resources staff and financial accounting reports. Analyze and prepare accurate and timely quarterly plan status and annual renewals explaining the financial performance and utilization of the benefit programs.

Analyze concern areas, determine cost drivers, and make recommendations on designs and contractual changes/terms that will aid in managing trend and costs while still delivering competitive benefit programs.

Provide an annual actuarial analysis and benchmark comparison of all self-insured benefit programs as part of the annual renewal report including comparing the three entities self funded plans.

Provide annual financial claims projections on the self-insured medical, dental, and vision plans including claim reserve recommendations and rate structure changes for the upcoming year in order to maintain strong funding status.

Benchmark design, contribution strategy and rate schedules against market surveys and report on findings at least annually with renewals.

PLAN AND VENDOR MANAGEMENT

At least annually, conduct a basic review of all benefit plan documents, including recommendations for document revisions and/or updates necessary to ensure compliance with applicable legislative changes and/or industry best practices.

As requested, review and recommend updates for all Summary Plan Descriptions (SPDs) documents associated with applicable benefit plans. In conjunction with the respective carriers or vendors, ensure timely review, update and publication of SPDs, either in hardcopy or electronic format.

Provide ongoing advice and support with regard to vendor management, assisting to ensure that contracted carriers or vendors are fulfilling their contractual obligations. Occasionally, as directed by either the City/Springs Utilities/Memorial, intervene in the event a dispute or misunderstanding should arise with regard to the implementation or interpretation of benefit plan provisions.

On behalf of both the City/Springs Utilities/Memorial, negotiate with all carriers and vendors appropriate performance guarantees as a means of ensuring contracted service delivery.

CONTRACTING AND RENEWALS

Assist City/Springs Utilities/Memorial staff in the preparation of request for proposals (RFP) documents for benefit products and services. Identify best value vendors for consideration by City/Springs Utilities/Memorial for benefit products and services. Provide preliminary listings of best value vendors in specific product and service areas being marketed and/or those vendors best suited to the direction and vision of our benefit plans. The consultant would have strong breadth and depth of knowledge of vendors providing services needed.

Provide input to RFP documents prepared by City/Springs Utilities/Memorial staff. Evaluate proposals for best terms/financial implications/competitiveness. Prepare written analysis of financial proposals for use by City/SU decision makers in the marketing process.

Analyze and negotiate contract rates, new features, and renewal rates in coordination and collaboration with City, Springs Utilities and Memorial Human Resources staff. Review contract terms to ensure optimal language/terms. Note that internal staff facilitate and initiate the renewal process and the consultant role is to give input to new features/programs, and analyze terms and renewals, and assist in negotiations based on technical understanding of terms and their ramifications.

The consultant must have strong technical knowledge of contract terms and inner workings of service vendors as well as the ability to benchmark terms to aid in the negotiation process at each renewal cycle. Areas of particular complexity in our arrangement are hospital, network, and PBM contracting. The consultant would need to have adequate resources to aid in our achieving optimal direct contract arrangements with the service providers by bringing strong technical expertise in these areas to the table.

Keep City/Springs Utilities/Memorial staff apprised of status of all activities and contacts made on behalf of City/Springs Utilities/Memorial. The consultant must work in a collaborative manner with City/Springs Utilities/Memorial staff.

COMPLIANCE

Provide City/Springs Utilities/Memorial staff with up-to-date information and advice on COBRA, HIPAA, ERISA, State Law, and IRS rules and regulations concerning benefits provided to employees, including changes in laws affecting employee benefits, flexible spending account plan, and required government reports. Provide insight to City/Springs Utilities/Memorial staff about steps that should be undertaken to maintain compliance or achieve compliance with new or current regulations to which our plans are subject.

Note that due to the public (government) entity status of the City/Springs Utilities/Memorial the self-insured plans are exempt from ERISA and State Law. However, our philosophy is to use these regulations to tailor plans to address provisions that would be typical of other peer companies' benefit programs. As a result City/Springs Utilities often use these regulations to guide plan provisions.

The consultant would therefore be required to keep abreast of the regulatory environment and keep the City/Springs Utilities/Memorial staff abreast of requirements affecting our plans.

2.4 ENGAGEMENT COSTS

The contract will be awarded on a "not to exceed" cost basis. It should be noted that the City, Springs Utilities and Memorial reserve the right to opt out of the joint contract, so pricing should not represent but reflect each individual entity's costs associated with their services.

Please clarify if you would receive insurance commissions from any of our contracted vendors shown in the Exhibit 5 and fully disclose the commissions you would anticipate if any. If you receive insurance commissions from any of our contracts, we would expect your fee to be adjusted/reduced by the commissions received.

If you are a broker, please advise clearly in your response the provisions necessary to eliminate the conflict of interest created through your being compensated by insurance companies for business placed with our group.

Would respondent use third party vendors for any of the services required under the RFP? When would they be used and in what way? How will they be compensated?

City/Springs Utilities/Memorial may elect to contract for all or only a portion of the scope of work you propose. Please acknowledge your understanding of this provision. For this reason we ask that you provide hours and costs for each segment of the scope of services described and quote each phase 1 and 2 separately.

See attached contract sample, Exhibit 4. Note that this contract cannot be modified. Being a public entity, City/Springs Utilities/Memorial cannot indemnify the contracting organization. If you anticipate any provision of the contract sample will be an issue for your organization, please explain the provision(s) with which you are concerned. Provide proposed language for consideration along with your proposal.

Would you be willing to place any fees at risk? If so, how would you structure your performance guarantee and measures?

SECTION III

3.0 PROPOSAL CONTENT

3.1 PROPOSAL FORMAT

Your written proposal should include the information in the format outlined below and be limited to no more than fifty (50) pages. We recommend that you include concise, but complete, information about your firm emphasizing why you believe your firm to be uniquely qualified to provide the required services. "Short listed" firms, if applicable, may be required to make a formal in-person presentation to the selection committee. **A page shall be defined as 8-1/2" x 11", single sided with a minimum font of 10.** Required schedules may be provided on 8.5" x 11" or 11" x 17" and attached to your proposal as an exhibit and will not be counted against the page limit.

3.2 ORGANIZATIONAL BACKGROUND AND OVERVIEW

Provide a brief history and overview of your company and its organizational structure, with special emphasis on how this project will fit within that structure.

3.2.1 DETAILED COMPANY BACKGROUND

- At a minimum, provide the following information relative to your firm. Similar information must be provided for each sub-respondent and/or joint venture member.
- Firm name and business address, including telephone number.
- Year established (include former firm names and year established, if applicable). Identify the state in which the firm was organized or incorporated.
- Type of ownership, and name and location of parent company and subsidiaries, if any.
- Indication of whether the firm is licensed to do business in the State of Colorado.

3.3 STATEMENT OF QUALIFICATIONS

Submit a general description on a company-wide basis of your firm's background, and qualifications to provide the services and requirements indicated in Schedule II, Scope of Work. Provide the names and locations of at least three (3) locations at which the proposer has conducted similar services and requirements along with specific individuals whom we may contact for references.

3.3.1 STAFF RESUMES ASSIGNED TO PROJECT

Provide resumes of staff that will be assigned to the City/Springs Utilities/Memorial, indicating their responsibility. Indicate the person who will be in charge of this assignment. Demonstrate a commitment that those listed will truly be contributors to the assignment. Discuss how any changes in key personnel will be handled. What other resources do you have available to your team to draw upon?

3.3.2 EXPERIENCE AND REFERENCES

Summarize experience and relate its relevance to this work. List past and present references for which similar, directly related work was performed. Past or current work should be of similar size and scope. Include answers to these questions.

CITY OF COLORADO SPRINGS

1. What is your experience as Consultant to self-insured public sector health benefit programs? Describe in detail your experience with public sector entities as clients, particularly in the State of Colorado.
2. Has litigation ever been filed against your firm? If so, explain in detail. Is there any litigation against your firm currently in process? If so, explain in detail.
3. Please list five references, three of which are self-insured governmental health funds similar to CITY/Springs Utilities/Memorial. The reference information should include contact name, title, organization name, address and telephone number, and date retained by your firm and a brief description of the work you performed for them.
4. How would your annual fee be billed? Monthly, quarterly, etc. What commissions if any would you receive from placement of insurance contracts with City/Springs Utilities/Memorial? Are you able based your contract on a direct fee for service without commissions?
5. For what period of time will your firm guarantee services and fees? Would you be willing to place any of your fee at risk for performance? If yes, how would you propose this arrangement be structured?
6. Please advise of any special benefit coalition, trade associations (public or VHA), or other special pricing contracts that you can make available to any of the enterprises and explain any limitations to those arrangements for which any of the three entities could not take part and the reasons for those limitations. Please highlight the anticipated savings you anticipate from such coalition contracts or special pricing arrangements for which you have access on behalf of your current public clients.
7. Please acknowledge evaluation of our contract terms attached as an exhibit and explain any concerns you have relative to our contract language. The City/Springs Utilities/Memorial cannot indemnify your firm.

3.4 PROJECT NARRATIVE

Explain in detail your proposed scope of services and approaches to consulting services for employee benefits.

3.5 FINANCIAL REQUIREMENTS

Complete the Cost Proposal in Exhibit 6 and submit it under separate cover with your fee proposal. Please provide the estimated hours and costs for each entity and each element of the scope of services as noted in the table. It should be noted that the City, Springs Utilities and Memorial reserve the right to opt out of the joint contract, so pricing should not represent but reflect each individual entity's costs associated with their services.

3.6 REFERENCES

Provide a list of clients and references, specifically including any clients whom you believe may be similar in nature to this RFP. Also include a list of current clients and current projects the firm is presently working on.

3.7 SUBMITTALS

Submit eight (8) copies and one (1)-**unbound original** of all information requested herein, including all Attachments.

3.8 AWARD

Proposals submitted which do not meet the requirements of this Request will be considered non-responsive and will not receive further consideration. Follow-up calls for missing or incomplete information will not be made.

All responsive proposals received for this project will be reviewed and ranked on a basis which would best serve the interests of the City, Springs Utilities and Memorial based on the evaluation criteria defined in Section IV. The firm which is selected will be that which best serves the interests of the City, Springs Utilities and Memorial and will be given the first right to negotiate an agreement acceptable to the City, Springs Utilities and Memorial. In the event that an agreement satisfactory to the City, Springs Utilities and Memorial cannot be reached, the City, Springs Utilities and Memorial may enter into contract negotiations with one or more of the remaining qualified firms. It should be noted that the City, Springs Utilities and Memorial reserve the right to opt out of the joint contract if it is not deemed to be advantageous to the entity.

3.10 EXCEPTIONS

Please note that all Offerors must complete and return with their proposal, Exhibit 2, Exceptions Form. All potential Offerors are hereby advised that exceptions taken may be considered during the evaluation phase which may effect the final scoring of proposals. Offerors stipulating that the City must use their contract or agreement may be determined non-responsive and their Proposal determined unacceptable.

3.11 INSURANCE REQUIREMENTS

Please note that all Offerors must complete and return with their proposal, Exhibit 3, Insurance Requirements.

SECTION IV

4.0 EVALUATION CRITERIA

This is a competitive procurement for a Professional Benefit Consulting Services for the City of Colorado Springs, Colorado Springs Utilities and Memorial Health System. The Financial Proposal is an important factor, but the successful proposal will be the one that offers the City/Springs Utilities/Memorial the best combination of financial proposal, quality of performance, and effectiveness at addressing the scope of work.

The following criteria listed in order of importance will be used in the evaluation of proposals.

4.1.1 QUALIFICATIONS OF FIRM

4.1.2 PROPOSED PERSONNEL

4.1.3 PROJECT APPROACH

Proposed approach and methodology shown in the proposal for each scope area. How will you deliver the services? Describe approaches and methodologies used to deliver services described in this RFP. How will you be creative and innovating in each scope area?

4.1.4 PAST PERFORMANCE ON SIMILAR PROJECTS

Previous background and experience relevant to this RFP, including services provided to previous and present clients with emphasis on governmental contracts. Please include business references and describe services and results provided.

4.1.5 REFERENCES

4.1.6 COST PROPOSAL

4.1.7 PROPOSAL

The overall quality and completeness of the proposal submitted.

4.1 SELECTION COMMITTEE

A selection committee will screen all proposals. Proposals will be ranked according to evaluation criteria, as outlined in the Request for Proposal. Through this process, the City/Springs Utilities/Memorial will determine which proposals are acceptable or unacceptable. The City/Springs Utilities/Memorial will notify, in writing, the participating firms whose proposals are deemed to be unacceptable. Those firms offering proposals deemed to be acceptable by the City/Springs Utilities/Memorial will be evaluated by the selection committee. The selection committee may determine it necessary to require oral presentations or interviews with the "short listed" proposers considered to be in the competitive range.

If oral presentations or interviews are conducted, they will also be scored. The selection committee may request revisions to the proposal from each of the proposers at the conclusion of the interviews. However, if it is deemed necessary to seek revisions to the proposals at the conclusion of the interviews, then all interviewed applicants will be requested to submit revisions; and the revisions will be scored accordingly.

- Quality of presentation
- Responses to provided questions/clarifications
- Ability to respond to general questions
- Requested revisions (if applicable)

4.2 AWARD OF CONTRACT

The City, Springs Utilities and Memorial reserves the right to award this contract not necessarily to the proposer with the most advantageous price, but to the firm that demonstrates the best ability to fulfill the requirements of this Request for Proposal. The City/Springs Utilities/Memorial will select the most qualified firm that was proven to understand the needs and scope of the study. A contract prepared by the City/Springs Utilities/Memorial will then be negotiated with the successful firm. In the event a contract cannot be negotiated with the top ranked firm, the City/Springs Utilities/Memorial may enter into negotiations with the second highest ranked firm or the City/Springs Utilities/Memorial may decide to call for new proposals. Immediately after the notice of award, the contractor will begin planning in conjunction with the City/Springs Utilities/Memorial staff (to be designated by the City/Springs Utilities/Memorial) to insure fulfillment of all its obligations. The contractor may be expected to attend regular meetings as required by the City/Springs Utilities/Memorial to assist in the preparation for startup.

SECTION V

5.0 CONTRACT TERMS AND CONDITIONS

Please refer to sample contract (Exhibit 4)

SECTION VI

6.0 APPENDICES/EXHIBITS

Exhibit 1	Proposal Check Sheet
Exhibit 2	Exceptions
Exhibit 3	Minimum Insurance Requirements
Exhibit 4	Sample Contract
Exhibit 5	Medical Plans for City/Springs Utilities/Memorial
Exhibit 6	Cost Proposal
Exhibit 7	City of Colorado Springs Health Plan Comparisons & Rates
Exhibit 8	Colorado Springs Utilities Health Plan Comparisons & Rates
Exhibit 9	Memorial Health Systems Health Plan Comparisons & Rates

EXHIBIT 1 PROPOSAL CHECK SHEET

PLACE A CHECK BY EACH ITEM SUBMITTED.

1. ____ The ability to provide a certificate of insurance evidencing the required coverage types and limits specified in exhibit 4. (It will be necessary that this certificate reflect the City of Colorado Springs as an Additional Insured.)

Indicate your ability to comply with the following requirements:

The City shall be added as an Additional Insured to all liability policies:

Yes____ No____

Your property and liability insurance company is licensed to do business in Colorado:

Yes____ No____

Indicate the name of your property and liability insurance company here:

Name: _____

Your property and liability insurance company has an AM best rating of not less than B+ and/or VII:

Yes____ No____

2. ____ One (1) copy of the current financial statements (if required). Enclose financial information in a separate envelope; do not bind with the other proposal copies. If review of the information is to be restricted to the City's financial officer, it must be marked accordingly.

Provide a response to the following: Are any lawsuits; federal, state or local tax liens; or any potential claims or liabilities pending against you, the firm, or the officers of the firm at this time?

Yes____ No____

If yes, provide details on a separate piece of paper and attach to your proposal.

3. ____ The completed and signed proposal. (Proposals must be identified according to the outline of this RFP document.)

1. ____ The completed Exhibits included in the RFP.

____ Exhibit 1 Business Questionnaire/Proposal Check Sheet

____ Exhibit 2 Exceptions

____ Exhibit 3 Insurance Requirements

____ Exhibit 6 Cost Proposal

EXHIBIT 2 EXCEPTIONS

EXCEPTIONS:

Print the words "no exceptions"(here)_____ if there are no exceptions taken to any of the terms, conditions, or specifications of these proposal documents or contract.

If there are exceptions taken to any of the terms, conditions, or specifications of the proposal document or contract, they must be clearly stated on a separate sheet of paper attached to this sheet and returned with your proposal.

Note: All potential Offerors are hereby advised that exceptions taken may be considered during the evaluation phase which may effect the final scoring of proposals. Offerors stipulating that the City must use their contract or agreement may be determined non-responsive and their Proposal determined unacceptable.

Company Name: _____

Address: _____
(City, State and Zip Code)

Federal Tax ID#: _____

PHONE: _____

FAX: _____

E-MAIL ADDRESS: _____

Authorized Signature: _____ Date: _____

Printed Name/Title: _____

Return this form with your Proposal.

EXHIBIT 3 MINIMUM INSURANCE REQUIREMENTS

Contract No. _____

The following listed minimum insurance requirements shall be carried by all contractors and consultants unless otherwise specified in the City's solicitation package, Special Provisions or Standard Specifications.

1. X Workers' Compensation and Employers Liability as required by statute. Employers Liability coverage is to be carried for a minimum limit of \$100,000.
2. X Automobile Liability for limits not less than \$1,000,000 combined single limit for bodily injury and property damage for each occurrence. Coverage shall include owned, non-owned and hired automobiles.
3. X Commercial General Liability for limits not less than \$1,000,000 combined single limit for bodily injury and property damage for each occurrence and not less than \$2,000,000 aggregate. Coverage shall include premises and operations liability, blanket contractual, broad form property damage, products and completed operations and personal injury endorsements.
4. _____ Builders Risk or Installation Floater Insurance will be provided by the Owner (excluding earthquake or flood). This insurance shall insure and protect from all insurable risks of physical loss or damage. Contractors and subcontractors will be covered, excluding their own machinery, tools and equipment. The deductible under The Builders Risk or Installation Floater shall be sustained and borne by the Contractor. Losses will be adjusted with and made payable to the Owner and others as their interests may appear.
5. _____ Professional Liability Insurance providing coverage for acts, errors or omissions committed or alleged to have been committed by architects and engineers arising out of the conduct of their professional practice. The coverage shall carry a project limit of \$500,000. The coverage shall have an extended reporting period of 2 years following the date of substantial completion of the project for reporting of claims.
6. _____ Pollution Legal Liability Insurance for limits not less than \$1,000,000 per occurrence (or claims made) and not less than \$1,000,000 aggregate for bodily Injury, Personal Injury and Property Damage. This coverage must include any losses arising from transit exposures and also include all costs associated with clean-up, containment, and disposal of any hazardous liquids or materials.
7. X Except for workers compensation and employer's liability insurance, the City of Colorado Springs must be named as an additional insured. Certificates of Insurance must be submitted before commencing the work and provide 30 days notice prior to any cancellation.
8. _____ Medical Malpractice Liability Insurance for limits not less than \$1,000,000 per occurrence.
9. X All coverage furnished by contractor is primary, and that any insurance held by the City of Colorado Springs is excess and non-contributory.

The undersigned certifies and agrees to carry and maintain the insurance requirements indicated above throughout the contract Period of Performance.

(Name of Company)

(Signature) (Date)

EXHIBIT 4 SAMPLE CONTRACT**SAMPLE CONTRACT**

City of Colorado Springs
Purchasing & Contract Division
30 S Nevada Ave. Suite 201
Colorado Springs, CO 80903
Phone (719) 385-9910 FAX 475-8477

**MUNICIPAL CONSULTANT CONTRACT
(Non-Architectural/Engineering Design Services)**

Contract Number:		Project Name/Title			
Vendor/Contractor					
Contact Name:		Telephone		Fax	
Address:					
Federal Tax ID #		Please check one:	☐ Corporation ☐ Individual ☐ Partnership		
City Contracting Specialist	Name & Phone#	City Dept Rep	Name & Phone# & Department Name		
NOT TO EXCEED Contract Amount:		City Account #	Acct Code (5) Fund (3) Dept (4) Project (7)		

THIS CONTRACT, made entered into this 25th day of July 2008 by and between the City of Colorado Springs, a Colorado municipal corporation and home rule city, in the County of El Paso, State of Colorado, (hereinafter in the Contract Documents referred to as the "City"), and: Public Financial Management, Inc. (hereinafter in the Contract Documents called the "Contractor")

COMPENSATION

It is hereby agreed by and between the City and the Contractor that for the considerations and amounts specified in the Contractor's Proposal and the total Contract amount designated in the Notice of Award to be paid by the City to the Contractor, Contractor agrees to furnish all materials and to perform all work as set forth in the Contractor's proposal and as required by the aforesaid Contract Documents. The Contract Award Amount is:

THE CITY AND THE CONTRACTOR HEREBY AGREE AS FOLLOWS:

1. The City has heretofore prepared the necessary Contract Documents for the following Activity: Exhibit A: Scope of Services attached and incorporated by reference.
2. The Contractor did on the 27th day of March 2008 submit to the City the Contractor's written offer and proposal to do the work therein described under the terms and conditions therein set forth and furnish all labor, materials, tools, equipment, transportation and services for said work in strict conformity with the accompanying Contract Documents, which include: this Contract, all terms and conditions, and Exhibit A Scope of Services.
3. It is further agreed that the Contractor will start work promptly and continue to work diligently until completed. The Contract's Period of Performance shall be from _____ through _____ **unless otherwise changed by Contract Modification.**
4. THE CONTRACTOR shall provide and maintain an acceptable Certificate of Insurance Policy(s) which includes Property, Liability and Professional Errors and Omissions coverage. The City of Colorado Springs shall be reflected as an additional insured on the Property and Liability policy(s).

5. RESPONSIBILITY OF THE CONTRACTOR FOR PROFESSIONAL SERVICES

- A. The Contractor shall be responsible for the professional quality, technical accuracy, and the coordination of all Scope of Work services furnished by the Contractor under this contract. The Contractor shall, without additional compensation, correct or revise any errors or deficiencies in services provided under this contract.
- B. Neither the City's review, approval of acceptance of, or payment for, the services required under this contract shall be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the performance of this contract, and the Contractor shall be and remain liable to the City for any and all damages to the City caused by the Contractor's negligent performance of any of the services furnished under this contract.
- C. The rights and remedies of the City provided for under this contract are in addition to any other rights and remedies provided by law.
 - (1) If the Contractor is comprised of more than one legal entity, each such entity shall be jointly and severally liable hereunder.

6. WORK OVERSIGHT IN PROFESSIONAL SERVICES CONTRACT

- A. The extent and character of the work to be done by the Contractor shall be subject to the general approval of the City's delegated Project Manager or Representative
- B. If any of the work or service being performed does not conform with contract requirements, the City may require the Contractor to perform the work or service again in conformity with contract requirements, at no increase in contract amount. When defects in work or services cannot be corrected by re-performance, the City may (1) require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and (2) reduce the contract price to reflect and reduced value of the work or services performed.
- C. If the Contractor fails to promptly perform the defective work or services again or to take the necessary action to ensure future performance in conformity with contract requirements, the City may (1) by contract or otherwise, perform the services and charge to the Contractor any cost incurred by the City that is directly related to the performance of such work or service or (2) terminate the contract for default.

7. SUB-CONTRACTORS, ASSOCIATES, AND OTHER CONTRACTORS

- A. Any Sub-Contractor, outside associates, or other Contractors used by the Contractor in connection with Contractor's work under this Contract shall be limited to individuals or firms that are specifically identified by the Contractor in the Contractor's proposal and agreed to by the City. The Contractor shall obtain the City delegated Project Manager or Representative's written consent before making any substitution of these sub-Contractors, associates, or other Contractors.
- B. The Contractor shall include a flow down clause in all of its sub-contracts, agreements with outside associates, and agreements with other Contractors. The flow down clause shall cause all of the terms and conditions of this Contract, including all of the applicable parts of this Contract document, to be incorporated in all subcontracts, agreements with outside associates, and agreements with other Contractors. The flow down clause shall provide clearly that there is no privity of contract between the City and the Contractor's Sub-Contractors, outside associates, and other Contractors.

8. KEY PERSONNEL

The key personnel listed in the proposal will be the individuals used in the performance of the work. If any of the listed key personnel leave employment or are otherwise not utilized in the performance of the work, approval to substitute must be obtained by the Contractor from the City's delegated Project manager or Representative. Any substitute shall have the same or a higher standard of qualifications that the key personnel possessed at the time of Contract award.

- 9. It is further agreed that the Contractor will start work promptly and continue to work diligently until this Contract is completed.

10. The following provisions shall apply to this Contract and shall take precedence and control in the event of conflict with any other provisions of the Contract:
- A. In accord with the Colorado Constitution, Article X Section 20 and the City Charter, performance of the City's obligations under this Contract is expressly subject to appropriation of funds by the City Council. Further, in the event that funds are not appropriated in whole or in part sufficient for performance of the City's obligations under this Contract, or appropriated funds may not be expended due to constitutional City Charter spending limitations, then the City may terminate this Contract without compensation to the Contractor.
 - B. The Contractor and the City agree and acknowledge as a part of this Contract that no change order or other form or order or directive may be issued by the City which requires additional compensable work to be performed, which work causes the aggregate amount payable under the Contract to exceed the amount appropriated for this Contract as listed above, unless the Contractor has been given a written assurance by the City that lawful appropriations to cover the costs of the additional work have been made or unless such work is covered under a remedy-granting provision of this Contract. The Contractor and the City further agree and acknowledge as a part of this Contract that no change order or other form or order or directive which requires additional compensable work to be performed under this Contract shall be issued by the City unless funds are available to pay such additional costs, and, regardless of any remedy-granting provision included within this Contract, the Contractor shall not be entitled to any additional compensation for any change which increases or decreases the contract completion date, or for any additional compensable work performed under this Contract, and expressly waives any rights to additional compensation, whether by law or equity, unless, prior to commencing the additional work, the Contractor was given a written change order describing the change in contract completion date or the additional compensable work to be performed, and setting forth the amount of compensation to be paid, which change order was signed by the authorized City representative. The amount of compensation to be paid, if any, shall be deemed to cover any and all additional general, extended overhead, direct, indirect or other cost or expense or profit of the Contractor whatsoever. It is the Contractor's sole responsibility to know, determine, and ascertain the authority of the City representative signing any change order under this Contract.
 - C. The Contractor shall not assign, subcontract or otherwise transfer this Contract or any right or obligation hereunder without the prior written consent of the City.
 - D. This Contract is subject to and shall be interpreted under the law of the State of Colorado, and the Charter, City Code, Ordinances, Rules and Regulations of the City of Colorado Springs, Colorado, a Colorado Home Rule City. Court venue and jurisdiction shall exclusively be in the Colorado District Court for El Paso County, Colorado. The Parties agree that the place of performance for this Agreement is deemed to be in the City of Colorado Springs, El Paso County, State of Colorado. The Contractor shall insure that the Contractor and the Contractor's employees, agents, officers and subcontractors are familiar with, and comply with, applicable Federal, State, and Local laws and regulations as now written or hereafter amended.
 - E. Contractor shall take out and maintain during the Period of this Contract, Colorado Worker's Compensation Insurance for the Contractor and all employees of the Contractor. If any service is sublet by the Contractor, the Contractor shall require the sub-Contractor to provide the same coverage for the sub-Contractor and sub-Contractor's employees. Worker's Compensation Insurance shall include occupational disease provisions covering any obligations of the Contractor in accord with the provisions of the Worker's Compensation Act Of Colorado.
 - F. Contractor agrees that the Contractor shall indemnify, defend and hold harmless the City, its officers, employees and agents, from and against any and all loss, damage, injuries, claims, cause or causes of action, or any liability whatsoever resulting from, or arising out of, or in connection with the Contractor's obligations or actions under this Contract due to the Contractor's errors, omissions or negligence.
 - G. In the performance of the Contractor's obligations under this Contract, it is understood, acknowledged and agreed between the parties that the Contractor is at all times acting and performing as an Independent Contractor, and the City shall neither have nor exercise any control or direction over the manner and means by which the Contractor performs the Contractor's obligations under this Contract,

except as otherwise stated within the Contract terms. The Contractor understands and agrees that the Contractor and the Contractor's employees, agents, servants, or other personnel are not City employees. The Contractor shall be solely responsible for payment of salaries, wages, payroll taxes, unemployment benefits or any other form of compensation or benefit to the Contractor or any of the Contractor's employees, agents, servants or other personnel performing services or work under this Contract, whether it is of a direct or indirect nature. Further in that regard, it is expressly understood and agreed that for such purposes neither the Contractor nor the Contractor's employees, agents, servants or other personnel shall be entitled to any City payroll, insurance, unemployment, worker's compensation, retirement or any other benefits whatsoever.

- H. Contractor understands and agrees that the Contractor shall have no right of coverage under any and all existing or future City comprehensive, self, personal injury, or other insurance policies. In the conduct of the services or work contemplated in this Contract, the Contractor shall ensure that the Contractor and all sub-Contractors comply with all applicable state, federal and City and local law, rules and regulations, technical standards or specifications. The Contractor shall qualify for and obtain any required licenses prior to commencement of work.
- I. This is a completely integrated Contract and contains the entire agreement between the parties. Any prior written or oral agreements or representations regarding this Contract shall be of no effect and shall not be binding on the City. This Contract may only be amended in writing, and executed by duly authorized representatives of the parties hereto.
- J. The Parties hereby agree, and acknowledge, that all products, items writings, designs, models, examples, or other work product of the Contractor produced pursuant to this Contract are works made for hire, and that the City owns, has, and possesses any and all ownership rights and interests to any work products of the Contractor made under this Contract, including any and all copyright, trademark, or patent rights, and that compensation to the Contractor for agreement and acknowledgment of this INTELLECTUAL PROPERTY RIGHT section of this Contract is included in any compensation or price whatsoever paid to the Contractor under this Contract. It is the intent of the parties that the City shall have full ownership and control of the Contractor's work products produced pursuant to this Contract, and the Contractor specifically waives and assigns to the City all rights which Contractor may have under the 1990 Visual Artists Rights Act, federal, and state law, as now written or later amended or provided. In the event any products, items writings, designs, models, examples, or other work product produced pursuant to this Contract is deemed by a court of competent jurisdiction not to be a work for hire under federal copyright laws, this INTELLECTUAL PROPERTY RIGHTS provision shall act as an irrevocable assignment to the City by the Contractor of any and all copyrights, trademark rights, or patent rights in the Contractor's products, items writings, designs, models, examples, or other work product produced pursuant to this Contract, including all rights in perpetuity. Under this irrevocable assignment, the Contractor hereby assigns to the City the sole and exclusive right, title, and interest in and to the Contractor's products, items writings, designs, models, examples, or other work product produced pursuant to this Contract, without further consideration, and agrees to assist the City in registering and from time to time enforcing all copyrights and other rights and protections relating to the Contractor's products, items writings, designs, models, examples, or other work product in any and all countries. It is the Contractor's specific intent to assign all right, title, and interest whatsoever in any and all copyright rights in the Contractor's products, items writings, designs, models, examples, or other work product produced pursuant to this Contract, in any media and for any purpose, including all rights of renewal and extension, to the City. To that end, the Contractor agrees to execute and deliver all necessary documents requested by the City in connection therewith and appoints the City as Contractor's agent and attorney-in-fact to act for and in Contractor's behalf and stead to execute, register, and file any such applications, and to do all other lawfully permitted acts to further the registration, prosecution, issuance, renewals, and extensions of copyrights or other protections with the same legal force and effect as if executed by the Contractor; further, the parties expressly agree that the provisions of this INTELLECTUAL PROPERTY RIGHTS section shall be binding upon the parties and their heirs, legal representatives, successors, and assigns.
- K. No waiver of default by the City of any of the terms, covenants, and conditions hereof to be performed, kept, and observed by the Contractor shall be construed, or shall operate, as a waiver of any subsequent

default of any of the terms, covenants, or conditions herein contained to be performed, kept, and observed by the Contractor.

- L. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties hereto, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person or entity on such Agreement. It is the express intention of the Parties hereto that any person or entity, other than the Parties to this Agreement, receiving services or benefits under this Agreement shall be deemed to be incidental beneficiaries only.
- M. The City may terminate this contract in whole or, from time to time, in part, for the City's convenience or because of the failure of the Contractor to fulfill the contract obligations. The City shall terminate by delivering to the Contractor a Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall:
 - 1) Immediately discontinue all services affected (unless the notice directs otherwise), and
 - 2) Deliver to the City all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process.

If the termination is for the convenience of the City, the City's delegated representative shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services.

If the termination is for failure of the Contractor to fulfill the contract obligations, the City may complete the work by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the City. Prior to issuing a Termination for failure to fulfill the contract obligations, the City will issue a Notice to cure allowing the Contractor ten (10) calendar days to prepare a plan to correct whatever failures are causing the contract obligation failure (s).

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor had not failed, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the City.

The rights and remedies of the City provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

- N. Books of Account and Auditing. The Contractor shall make available to the City if requested, true and complete records, which support billing statements, reports, performance indices, and all other related documentation. The City's authorized representatives shall have access during reasonable hours to all records, which are deemed appropriate to auditing billing statements, reports, performance indices, and all other related documentation. The Contractor agrees that it will keep and preserve for at least seven years all documents related to the Contract which are routinely prepared, collected or compiled by the Contractor during the performance of this contract.

The City's Auditor and the Auditor's authorized representatives shall have the right at any time to audit all of the related documentation. The Contractor shall make all documentation available for examination at the Auditor's request at either the Auditor's or Contractor's offices, and without expense to the City.

- O. The Contractor hereby Certifies that at the time of this certification, the Contractor does not knowingly employ or contract with an illegal alien and that the Contractor has participated or attempted to participate in the basic pilot program in order to verify that the Contractor does not employ any illegal aliens. "Basic pilot program" means the basic pilot employment verification program created in Public Law 208, 104th Congress, as amended, and expanded in Public Law 156, 108th Congress, as amended, that is administered by the United States department of homeland security.

P. GRATUITIES:

CITY OF COLORADO SPRINGS

- 1) The right of the Contractor to proceed or otherwise perform this Contract, and this Contract may be terminated if the City Manager and/or the City Contracting Manager determine, in their sole discretion, that the Contractor or any officer, employee, agent, or other representative whatsoever, of the Contractor offered or gave a gift or hospitality to a City officer, employee, agent or contractor for the purpose of influencing any decision to grant a City Contract or to obtain favorable treatment under any City Contract.
- 2) The terms "hospitality" and "gift" include, but are not limited to, any payment, subscription, advance, forbearance, acceptance, rendering or deposit of money, services, or any thing of value given or offered, including but not limited to food, lodging, transportation, recreation or entertainment, token or award.
- 3) Contract termination under this provision shall constitute a breach of contract by the Contractor, and the Contractor shall be liable to the city for all costs relating to the contract or completion of the contract. Further, if the Contractor is terminated under this provision, or violates this provision but is not terminated, the Contractor shall be subject to debarment under the City's Procurement Regulations. The rights and remedies of the City provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract."

Q. ILLEGAL ALIENS - PUBLIC CONTRACTS FOR SERVICES

Illegal Aliens - Public Contracts for Services - Compliance with Title 8, Article 17.5, Colorado Revised Statutes:

The Contractor acknowledges, understands and agrees that:

- a) In the performance of any work or the provision of any services by the Contractor under this Contract, the Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract; or
- b) Enter into a contract with any subcontractor that fails to certify to the contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or under the subcontract to this contract;
- c) The contractor has verified or attempted to verify through participation in the basic pilot program that the contractor does not employ any illegal aliens and, if the contractor is not accepted into the basic pilot program prior to entering into a public contract for services, that the contractor shall apply to participate in the basic pilot program every three months until the contractor is accepted or the public contract for services has been completed, whichever is earlier. This provision shall not be required or effective in this Contract if the basic pilot program is discontinued. "Basic pilot program" means the basic pilot employment verification program created in Public Law 208, 104th Congress, as amended, and expanded in Public Law 156, 108th Congress, as amended, that is administered by the United States department of homeland security.
- d) The contractor is expressly prohibited from using basic pilot program procedures to undertake pre-employment screening of job applicants while this Contract and any services under this Contract is being performed.
- e) If the contractor obtains actual knowledge that a subcontractor performing work under the public contract for services knowingly employs or contracts with an illegal alien, the Contractor shall:
 1. Notify the subcontractor and the City within three days that the contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
 2. Terminate the subcontract with the subcontractor if within three days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the contractor shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.
 3. The Contractor shall comply with any reasonable request made by the Department of Labor and Employment during the course of an investigation that the department may be undertaking pursuant to the authority established in Section 8-17.5-102 C.R.S.

4. If the contractor violates or fails to comply with any provision of C.R.S. 8-17-101 et seq, the City may terminate this Contract for breach of contract. If this contract is so terminated, the Contractor shall be liable for any actual and consequential damages to the City.

R. DRUG FREE WORKPLACE.

- 1) The Contractor, if other than an individual, shall—within 30 days after award, or as soon as possible for contracts of less than 30 days performance duration:
 - a. Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition:
- 2) Establish an ongoing drug-free awareness program to inform such employees about --
 - a. The dangers of drug abuse in the workplace,
 - b. The Contractor's policy of maintaining a drug free workplace,
 - c. Any available drug counseling, rehabilitation, and employee assistance programs, and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- 3) Provide all employees engaged in performance of the contract with a copy of the statement required by paragraph 1 of this clause.
- 4) Notify such employees in writing in the statement required by paragraph 1 of this clause that, as a condition of continued employment on this contract, the employee will –
 - a. Abide by the terms of the statement
 - b. Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction.
- 5) Notify the City in writing within 10days after receiving notice under Paragraph 4 (ii) of this clause, from an employee of otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;
- 6) Within 30 days after receiving notice under Paragraph 4 (ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace;
 - a. Taking appropriate personnel action against such employee, up to and including termination; or
 - b. Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- 7) Make a good faith effort to maintain a drug-free through 6 of this clause. workplace through implementation of paragraphs 1
 - a. The Contractor, if an individual, agrees by award of this contract, not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.

In addition to other remedies available to the City, the Contractor's failure to comply with the requirements of Paragraphs A and B of this clause may render the Contractor subject to suspension of the contract payments, termination of the contract for default, and suspension or debarment.

R. The following Appendices are made a part of this agreement:

1. Exhibit A:
2. Exhibit B:

CITY OF COLORADO SPRINGS

WHEREOF THE PARTIES HAVE EXECUTED THIS CONTRACT:

This Contract is executed in one (1) original copy.

THE CITY OF COLORADO SPRINGS

SECOND PARTY

Steve Gess, City Contracts Manager

Corporate Name

Date

Signature, Title

Witness/Date

EXHIBIT 5 MEDICAL PLANS, SERVICE & CARRIER

There are different vendors providing specified products and services as follows (subject to change):

CITY OF COLORADO SPRINGS		
PLAN	SERVICE / PRODUCT	CARRIER OR VENDOR
Medical	Network Administration and Utilization Review; Contracted Hospital	Memorial Health Systems
Disease Management	Disease Management	Memorial Hospital Medical Network
In-House Medical Clinic	Primary and Urgent Care Services / Wellness Programs	County-City Employee Medical Clinic
Urgent Care	Urgent Care	EmergiCare & Memorial Hospital Medical Network
Medical Claims	Third-Party Administrator and COBRA Administration	Ameriben / IEC
Stop-Loss	Stop-Loss	HCC Life (currently marketing)
In-House Pharmacy	PBM	County-City Employee Pharmacy through MaxorPlus
Wellness Program	Wellness & Preventative Services	Alere (previously known as Matria Healthcare)
Employee Assistance Programs	EAP & Drug-Free Workplace	Profile EAP
Depression Management	Depression Management	ProCare
Dental	Network / Third Party Administrator	Delta Dental
Direct Reimbursement Dental	Network / Third Party Administrator	Flores & Associates
Vision	Network / Third Party Administrator	Vision Service Plan (VSP)
FSA / MERP / HRA	HCSA & DCSA / Medical Expense Reimbursement Plan / Retiree Health Reimbursement Arrangement	Flores & Associates
STD / LTD	Short and Long-Term Disability	Cigna Life & Disability (integrated with PERA)
Basic & Voluntary Life	Group Life Insurance	Aetna
Long-Term Care	Long-Term Care	Unum

CITY OF COLORADO SPRINGS

COLORADO SPRINGS UTILITIES		
PLAN	SERVICE / PRODUCT	CARRIER OR VENDOR
Medical	Network Administration and Utilization Review; Contracted Hospital	Cofinity (Network), Active Health (UM/DM/PHR)
Disease Management	Informed Care Management	Active Health
Urgent Care	Urgent Care	Cofinity (Network)
Medical Claims	Third-Party Administrator and COBRA Administration	Ameriben / IEC
Stop-Loss	Stop-Loss	HCC Life (currently marketing)
Retail, Mail and Specialty Pharmacy	PBM	HealthTrans
Wellness Program	Wellness & Preventative Services	Alere (previously known as Matria Healthcare)
Health Improvement Program	Wellness/onsite screening and health education	Centura - Penrose
Employee Assistance Programs	EAP & Drug-Free Workplace	Profile EAP
Dental	Network / Third Party Administrator	Delta Dental
Vision	Network / Third Party Administrator	Vision Service Plan (VSP)
FSA / HRA	HCSA & DCSA /Health Reimbursement Account	Flores & Associates
STD / LTD	Short and Long-Term Disability	Aetna (integrated with PERA plans)
Basic & Voluntary Life Supplemental AD&D	Group Life Insurance	Aetna
Long-Term Care	Long-Term Care	Unum

CITY OF COLORADO SPRINGS

MEMORIAL HOSPITAL		
PLAN	SERVICE / PRODUCT	CARRIER OR VENDOR
Medical	Network Administration and Utilization Review; Contracted Hospital	Memorial Medical Network
Disease Management	Informed Care Management	Memorial Medical Network
Urgent Care	Urgent Care	Memorial Urgent Care Facilities
Medical Claims	Third-Party Administrator and COBRA Administration	Memorial Medical Network
Stop-Loss	Stop-Loss	Starline USA (2009)
Retail, Mail and Specialty Pharmacy	PBM	MedImpact
Wellness Program	Wellness & Preventative Services	Memorial Health System (in-house services)
Health Improvement Program	Wellness/onsite screening and health education	Memorial Health - HealthLink
Employee Assistance Programs	EAP & Drug-Free Workplace	Dick Gee
Dental	Network / Third Party Administrator	Delta Dental (2009)
Vision	Network / Third Party Administrator	EyeMed
FSA	HCSA & DCSA	Memorial Medical Network
STD / LTD	Short and Long-Term Disability	ING (integrated with PERA)
Basic & Voluntary Life Supplemental AD&D	Group Life Insurance	ING

The total number of covered lives on City's two medical plans are approximately 6,800. City has 2,730 active employees and 258 benefit eligible retirees. Retirees on the plans are fire and police employees who are not PERA eligible.

The total number of covered lives on Memorial's two medical plans are approximately 9,000, with no retirees.

The total number of covered lives on Springs Utilities three medical plans are approximately 4,200, with no retirees.

Together the three organizations cover approximately 20,000 lives.

For information about plan designs and rates for 2009, please see Exhibits 7, 8 & 9

EXHIBIT 6 COST PROPOSAL

CITY OF COLORADO SPRINGS SCOPE/SERVICE TYPE	ESTIMATED ANNUAL HOURS	ESTIMATED ANNUAL COST
PHASE 1		
2009 Services (April 1 – December 31, 2009)		
PHASE 2		
1) City of Colorado Springs Consulting Services		
2) Financial Reporting		
3) Plan & Vendor Management		
4) Contracting & Renewals		
5) Compliance		

COLORADO SPRINGS UTILITIES SCOPE/SERVICE TYPE	ESTIMATED ANNUAL HOURS	ESTIMATED ANNUAL COST
PHASE I		
2009 Services (April 1 – December 31, 2009)		
PHASE 2		
1) Colorado Springs Utilities Consulting Services		
2) Financial Reporting		
3) Plan & Vendor Management		
4) Contracting & Renewals		
5) Compliance		

CITY OF COLORADO SPRINGS

MEMORIAL HEALTH SYSTEM SCOPE/SERVICE TYPE	ESTIMATED ANNUAL HOURS	ESTIMATED ANNUAL COST
PHASE 1		
2009 Services (April 1 – December 31, 2009)		
PHASE 2		
1) Memorial Health System Consulting Services		
2) Financial Reporting		
3) Plan & Vendor Management		
4) Contracting & Renewals		
5) Compliance		

EXHIBIT 7 CITY OF COLORADO SPRINGS PLAN COMPARISONS & RATES

2009 Medical Plan Comparison Chart

Type of service	EPO Medical Plan Policy #022		EPO Mid-Level Medical Plan Policy #022M	
	In-Network Benefit	Out-of-Network Benefit ⁽⁴⁾	In-Network Benefit	Out-of-Network Benefit ⁽⁴⁾
Lifetime maximum	\$3 million/individual		\$3 million/individual	
Annual deductible ⁽²⁾	\$50 individual \$100 family	\$1,000 individual \$2,000 family	\$50 individual \$100 family	\$1,250 individual \$2,500 family
Coinsurance ⁽²⁾	Plan pays 85%	Plan pays 70%	Plan pays 75%	Plan pays 70%
Annual out-of-pocket maximum (OPM)/Coinsurance ^{(1) (2)}	\$1,300 individual \$3,900 family	\$3,550 individual \$10,650 family	\$1,550 individual \$4,650 family	\$4,050 individual \$12,150 family
Office visits to physician/health care practitioner ⁽¹⁾	\$20 co-pay for PCP; \$30 co-pay for specialist.	Subject to deductible and coinsurance	\$30 co-pay for PCP; \$40 co-pay for specialist.	Subject to deductible and coinsurance
Urgent care ⁽¹⁾ For minor episodic care at urgent care facility, not for routine care.	\$20 co-pay; diagnostic and surgical coinsurance applies.	\$40 co-pay; diagnostic and surgical coinsurance applies.	\$30 co-pay; diagnostic and surgical coinsurance applies.	\$60 co-pay; diagnostic and surgical coinsurance applies.
Emergency room visits ⁽¹⁾	\$150 co-pay; If admitted to the hospital, emergency room co-pay is not waived and the diagnostic and surgical coinsurance for hospital costs will apply.			
Diagnostic services	Plan pays first \$50 per plan year, and then reverts to coinsurance.	Subject to deductible and coinsurance	Plan pays first \$50 per plan year, and then reverts to coinsurance.	Subject to deductible and coinsurance
Inpatient hospital services	Coinsurance applies	Subject to deductible and coinsurance	Coinsurance Applies	Subject to deductible and coinsurance
Outpatient surgery ⁽¹⁾	Coinsurance applies; plus \$100 co-pay if performed in an ambulatory surgical facility.	Subject to deductible and coinsurance	Coinsurance applies; plus \$150 co-pay if performed in an ambulatory surgical facility.	Subject to deductible and coinsurance
Wellness benefit ^{(1) (3)} Services include, but not limited to, well baby care, annual physicals, and must be performed by a PCP.	\$20 co-pay	Subject to deductible and coinsurance	\$30 co-pay	Subject to deductible and coinsurance
Alternative medicine Acupuncture, massage therapy, nutritionist, chiropractic services, homeopathic, naturopathic and foot care (not otherwise eligible under the plan) services.	Plan Pays 50% of each claim up to an annual family maximum of \$750 (not subject to the OPM).			
Inpatient mental health Pre-certification is required for all plans.	Maximum stay of 45 days per plan year.	Subject to deductible and coinsurance; up to 45 days per plan year.	Maximum stay of 30 days per plan year.	Subject to deductible and coinsurance; up to 30 days per plan year.
Outpatient mental health ⁽¹⁾ Up to 20 visits per plan year for all plans.	\$30 office co-pay.	Subject to deductible and coinsurance.	\$40 office co-pay.	Subject to deductible and coinsurance.
Hearing Exams for adults, children, and newborns ⁽⁵⁾	Plan Pays 100%	70% (Subject to deductible)	Plan Pays 100%	70% (Subject to deductible)
Hormone pellet implant benefit	Plan Pays 90%	70% (Subject to deductible)	Plan Pays 80%	70% (Subject to deductible)

Changes from the 2008 Medical Plan are highlighted in yellow.

Notes:

(1) Co-pays do not apply toward the OPM or deductibles.

(2) In both the EPO and EPO Mid-Level Plans, the OPM and coinsurance are accounted for separately for in-network and out-of-network services.

(3) Services for the in-network Wellness Benefit are covered at 100% after office visit co-pay if provided by a Primary Care Physician. If additional diagnostic services are required due to a new or existing condition, then diagnostic coinsurance applies.

(4) PHCS is an out-of-area network, whereby contracted discounts can be obtained.

(5) Services for the in-network Hearing Exam benefit for adults and children are covered at 100% under the Wellness Benefit after the office visit co-pay if provided by an in-network specialist or Certified Audiologist. The in-network, inpatient Hearing Exam for newborns is covered at 100% (no co-pay) under the Well Child Wellness program.

A list of Participating Providers for our medical plans is available online at <http://www.mymednet.com/wps/wcm/connect/MyMedNet/>

2009 Prescription Coverage

Pharmacy	Tier	Type of Prescription	Cost
City Employee Pharmacy	1 st Tier	Generic	\$ 8.00 co-pay (30 day supply) \$20.00 co-pay (90 day supply)
	2 nd Tier	Preferred Brand	\$30.00 co-pay (30 day supply) Mail Order \$60.00 co-pay (90 day supply)
	3 rd Tier	Non-Preferred Brand	\$50.00 co-pay (30 day supply) Mail Order \$100.00 co-pay (90 day supply)
Specialty Pharmacy	4 th Tier	*Preferred Chronic Injectables	\$ 100.00 (30 day supply) \$200.00 (90 day supply)
Specialty Pharmacy	5 th Tier	*Non-Preferred Chronic Injectables	\$150.00 (30 day supply) \$300.00 (90 day supply)
Chronic Injectables: \$2,500 out-of-pocket maximum per member, per year.			
		Diabetic Supplies	Covered at 100% (no co-pay) if obtained through the City Employee Pharmacy Program and you are participating in the Diabetes Ten City Challenge or can provide documentation that you are being case managed. (Maximum 90-day supply) If supplies are obtained through a MaxorPlus Retail Network Pharmacy or if you are not participating in the Diabetes Ten City Challenge or cannot provide documentation that you are being case managed, then the regular retail co-pay will apply.
MaxorPlus Retail Network Pharmacies	1 st Tier	Generic	\$20.00 (30 day supply)
	2 nd Tier	Preferred Brand	\$50.00 (30 day supply)
	3 rd Tier	Non-Preferred Brand	\$75.00 (30 day supply)
	4 th Tier	Preferred/Non-Preferred Chronic Injectables	N/A
Maintenance Prescription Fills (For a complete listing of participating pharmacies go to the Preferred Provider Information on the Clinic and Pharmacy information section of the Benefits and Wellness website.)	Plan participants will progressively pay higher co-pays for maintenance prescriptions that are filled at a MaxorPlus Retail Network Pharmacy versus the City Employee Pharmacy. Maintenance Rx filled at MaxorPlus Retail Network Pharmacies: • First fill: member pays the normal co-pay • Second fill: member pays double the co-pay • Third and subsequent fills: member pays 100% of the retail cost for a maintenance Rx		
New Quantity Limits for 2009: • Medications for migraine headaches will be set at 6 to 9 tablets per prescription fill. • Diabetic supplies will be limited to 100 test strips per 30 days or 300 per 90 days. If a member requires more frequent testing, a prior authorization can be done. If the physician supports more frequent testing, an override can be put in place to allow an appropriate number of test strips per prescription fill.			
New Additional Prior Authorizations for 2009: Prior authorizations will be required on the following medications/categories: • Medications for ADD and ADHD for patients 25 years of age or older. • Provigil®, which is indicated for day time drowsiness caused by specific conditions such as narcolepsy, sleep apnea and shift work sleep disturbances. • Vfend®, which is an expensive antifungal medication that should be used as second line therapy for documented resistant fungal infections and for first line more severe specific fungal infections. • Zyvox®, which is an expensive antibiotic that should only be used for specific severe infections and when there is a documented diagnosis of a vancomycin-resistant enterococci (VRE).			

City of Colorado Springs 2009 Rate Chart Monthly Plan Costs

COBRA

Key: EE Only = Employee Only; EE + SP = Employee + Spouse; EE + CH = Employee + Child(ren); EE + FM = Employee + Family

EPO Medical Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$479.00	\$488.58
EE + SP	\$920.00	\$938.40
EE + CH	\$872.00	\$889.44
EE + FM	\$1,332.00	\$1,358.64

EPO Mid-Level Medical Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$324.00	\$330.48
EE + SP	\$655.00	\$668.10
EE + CH	\$623.00	\$635.46
EE + FM	\$943.00	\$961.86

Delta Hi-Option Dental Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$40.00	\$40.80
EE + SP	\$90.00	\$91.80
EE + CH	\$72.00	\$73.44
EE + FM	\$112.00	\$114.24

Delta Core Dental Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$30.00	\$30.60
EE + SP	\$54.00	\$55.08
EE + CH	\$50.00	\$51.00
EE + FM	\$66.00	\$67.32

Delta Standard-Option PPO Dental Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$30.00	\$30.60
EE + SP	\$69.00	\$70.38
EE + CH	\$55.00	\$56.10
EE + FM	\$86.00	\$87.72

Direct Reimbursement Hi-Option Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$41.00	\$41.82
EE + SP	\$91.00	\$92.82
EE + CH	\$74.00	\$75.48
EE + FM	\$114.00	\$116.28

Vision Service Plan Rates

Level of Coverage	Total Plan Cost	Your Share
EE Only	\$7.00	\$7.14
EE + SP	\$21.00	\$21.42
EE + CH	\$19.00	\$19.38
EE + FM	\$25.00	\$25.50

City of Colorado Springs 2009 Benefit Rate Chart Monthly Plan Costs

City Council Members

Key: EE Only = Employee Only; EE + CH = Employee + Child(ren); EE + SP = Employee + Spouse; EE + FM = Employee + Family
 Rates were previously published as semi-monthly costs and are now being published as monthly costs.

Monthly EPO Medical Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$479.00	\$0.00	\$479.00	\$0.00
EE + SP	\$920.00	\$0.00	\$920.00	\$0.00
EE + CH	\$872.00	\$0.00	\$872.00	\$0.00
EE + FM	\$1,332.00	\$0.00	\$1,332.00	\$0.00

Monthly EPO Mid-Level Medical Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$324.00	\$0.00	\$324.00	\$0.00
EE + SP	\$655.00	\$0.00	\$655.00	\$0.00
EE + CH	\$623.00	\$0.00	\$623.00	\$0.00
EE + FM	\$943.00	\$0.00	\$943.00	\$0.00

Monthly Delta Hi-Option PPO Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$40.00	\$0.00	\$40.00	\$0.00
EE + SP	\$90.00	\$0.00	\$90.00	\$0.00
EE + CH	\$72.00	\$0.00	\$72.00	\$0.00
EE + FM	\$112.00	\$0.00	\$112.00	\$0.00

Monthly Delta Core Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$30.00	\$0.00	\$30.00	\$0.00
EE + SP	\$54.00	\$0.00	\$54.00	\$0.00
EE + CH	\$50.00	\$0.00	\$50.00	\$0.00
EE + FM	\$66.00	\$0.00	\$66.00	\$0.00

Monthly Delta Standard-Option PPO Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$30.00	\$0.00	\$30.00	\$0.00
EE + SP	\$69.00	\$0.00	\$69.00	\$0.00
EE + CH	\$55.00	\$0.00	\$55.00	\$0.00
EE + FM	\$86.00	\$0.00	\$86.00	\$0.00

Monthly Direct Reimbursement Hi-Option Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$41.00	\$0.00	\$41.00	\$0.00
EE + SP	\$91.00	\$0.00	\$91.00	\$0.00
EE + CH	\$74.00	\$0.00	\$74.00	\$0.00
EE + FM	\$114.00	\$0.00	\$114.00	\$0.00

Monthly Vision Service Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$0.00
EE Only	\$7.00	\$0.00	\$7.00	\$0.00
EE + SP	\$21.00	\$0.00	\$21.00	\$0.00
EE + CH	\$19.00	\$0.00	\$19.00	\$0.00
EE + FM	\$25.00	\$0.00	\$25.00	\$0.00

City of Colorado Springs 2009 Benefit Rate Chart Monthly Plan Costs

For City Half-Time Employees

Employee regularly scheduled to work 20 to 29 hours weekly

Key: EE Only = Employee Only; EE + CH = Employee + Child(ren); EE + SP = Employee + Spouse; EE + FM = Employee + Family
Rates were previously published as semi-monthly costs and are now being published as monthly costs.

Monthly EPO Medical Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$25.00
EE Only	\$479.00	\$200.50	\$278.50	\$0.00
EE + SP	\$920.00	\$322.00	\$598.00	\$0.00
EE + CH	\$872.00	\$305.00	\$567.00	\$0.00
EE + FM	\$1,332.00	\$466.50	\$865.50	\$0.00

Monthly EPO Mid-Level Medical Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$25.00
EE Only	\$324.00	\$150.50	\$173.50	\$0.00
EE + SP	\$655.00	\$304.50	\$350.50	\$0.00
EE + CH	\$623.00	\$289.50	\$333.50	\$0.00
EE + FM	\$943.00	\$438.50	\$504.50	\$0.00

Monthly Delta Hi-Option Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$15.00
EE Only	\$40.00	\$16.00	\$24.00	\$0.00
EE + SP	\$90.00	\$19.00	\$71.00	\$0.00
EE + CH	\$72.00	\$19.00	\$53.00	\$0.00
EE + FM	\$112.00	\$19.00	\$93.00	\$0.00

Monthly Delta Core Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$15.00
EE Only	\$30.00	\$15.00	\$15.00	\$0.00
EE + SP	\$54.00	\$17.50	\$36.50	\$0.00
EE + CH	\$50.00	\$17.50	\$32.50	\$0.00
EE + FM	\$66.00	\$17.50	\$48.50	\$0.00

Monthly Delta Standard-Option DPO Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$15.00
EE Only	\$30.00	\$15.00	\$15.00	\$0.00
EE + SP	\$69.00	\$17.50	\$51.50	\$0.00
EE + CH	\$55.00	\$17.50	\$37.50	\$0.00
EE + FM	\$86.00	\$17.50	\$68.50	\$0.00

Monthly Direct Reimbursement Hi-Option Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$15.00
EE Only	\$41.00	\$16.50	\$24.50	\$0.00
EE + SP	\$91.00	\$19.50	\$71.50	\$0.00
EE + CH	\$74.00	\$19.50	\$54.50	\$0.00
EE + FM	\$114.00	\$19.50	\$94.50	\$0.00

Monthly Vision Service Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$2.50
EE Only	\$7.00	\$2.50	\$4.50	\$0.00
EE + SP	\$21.00	\$2.50	\$18.50	\$0.00
EE + CH	\$19.00	\$2.50	\$16.50	\$0.00
EE + FM	\$25.00	\$2.50	\$22.50	\$0.00

City of Colorado Springs 2009 Benefit Rate <u>Monthly</u> Chart Plan Costs
--

**For City Full-Time Civilian, Sworn and 3/4 Time Employees
Employee regularly scheduled to work 30 or more hours weekly**

Key: EE Only = Employee Only; EE + CH = Employee + Child(ren); EE + SP = Employee + Spouse; EE + FM = Employee + Family
Rates were previously published as semi-monthly costs and are now being published as monthly costs.

Monthly EPO Medical Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$50.00
EE Only	\$479.00	\$401.00	\$78.00	\$0.00
EE + SP	\$920.00	\$644.00	\$276.00	\$0.00
EE + CH	\$872.00	\$610.00	\$262.00	\$0.00
EE + FM	\$1,332.00	\$933.00	\$399.00	\$0.00

Monthly EPO Mid-Level Medical Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$50.00
EE Only	\$324.00	\$301.00	\$23.00	\$0.00
EE + SP	\$655.00	\$609.00	\$46.00	\$0.00
EE + CH	\$623.00	\$579.00	\$44.00	\$0.00
EE + FM	\$943.00	\$877.00	\$66.00	\$0.00

Monthly Delta Hi-Option PPO Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$30.00
EE Only	\$40.00	\$32.00	\$8.00	\$0.00
EE + SP	\$90.00	\$38.00	\$52.00	\$0.00
EE + CH	\$72.00	\$38.00	\$34.00	\$0.00
EE + FM	\$112.00	\$38.00	\$74.00	\$0.00

Monthly Delta Core Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$30.00
EE Only	\$30.00	\$30.00	\$0.00	\$0.00
EE + SP	\$54.00	\$35.00	\$19.00	\$0.00
EE + CH	\$50.00	\$35.00	\$15.00	\$0.00
EE + FM	\$66.00	\$35.00	\$31.00	\$0.00

Monthly Delta Standard-Option PPO Dental Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$30.00
EE Only	\$30.00	\$30.00	\$0.00	\$0.00
EE + SP	\$69.00	\$35.00	\$34.00	\$0.00
EE + CH	\$55.00	\$35.00	\$20.00	\$0.00
EE + FM	\$86.00	\$35.00	\$51.00	\$0.00

Monthly Direct Reimbursement Hi-Option Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$30.00
EE Only	\$41.00	\$33.00	\$8.00	\$0.00
EE + SP	\$91.00	\$39.00	\$52.00	\$0.00
EE + CH	\$74.00	\$39.00	\$35.00	\$0.00
EE + FM	\$114.00	\$39.00	\$75.00	\$0.00

Monthly Vision Service Plan Rates

Level of Coverage	Total Plan Cost	Employer Share	Employee Share	Cash Back
Waiver				\$5.00
EE Only	\$7.00	\$5.00	\$2.00	\$0.00
EE + SP	\$21.00	\$5.00	\$16.00	\$0.00
EE + CH	\$19.00	\$5.00	\$14.00	\$0.00
EE + FM	\$25.00	\$5.00	\$20.00	\$0.00

CITY OF COLORADO SPRINGS

CITY OF COLORADO SPRINGS 2009 RETIREE DENTAL/VISION MONTHLY RATES

COVERAGE PLAN & LEVEL	2009 Retiree Cost
DELTA HI-OPTION PPO DENTAL PLAN	
RETIREE ONLY	\$40.00
RETIREE + SPOUSE	\$90.00
RETIREE + CHILD(REN)	\$72.00
RETIREE + FAMILY	\$112.00
DELTA STANDARD-OPTION PPO DENTAL PLAN	
RETIREE ONLY	\$30.00
RETIREE + SPOUSE	\$69.00
RETIREE + CHILD(REN)	\$55.00
RETIREE + FAMILY	\$86.00
DELTA CORE DENTAL PLAN	
RETIREE ONLY	\$30.00
RETIREE + SPOUSE	\$54.00
RETIREE + CHILD(REN)	\$50.00
RETIREE + FAMILY	\$66.00
DIRECT REIMBURSEMENT HI-OPTION	
RETIREE ONLY	\$41.00
RETIREE + SPOUSE	\$91.00
RETIREE + CHILD(REN)	\$74.00
RETIREE + FAMILY	\$114.00

CITY OF COLORADO SPRINGS

VISION SERVICE PLAN	
RETIREE ONLY	\$7.00
RETIREE + SPOUSE	\$21.00
RETIREE + CHILD(REN)	\$19.00
RETIREE + FAMILY	\$25.00

This summary is not intended to include all benefit plan details. Refer to the official Plan Document for additional details. If a discrepancy exists between this document and the Plan Document, the Plan Document governs.

Vision Service Plan Coverage Plan Comparison Chart

Vision Plan Benefits	Network Vision Provider	Non Network Vision Provider
	WHAT YOU PAY	WHAT THE PLAN PAYS
Routine Eye Exam	\$10 co-pay	\$30 allowance
Frames (Lens excluded)	\$15 co-pay	\$30 allowance
Lenses (Cost Per Lens)		
• Single	\$10 co-pay	\$40 allowance
• Bi-focal	\$10 co-pay	\$55 allowance
• Tri-focal	\$10 co-pay	\$55 allowance
• Lenticular	\$10 co-pay	\$105 allowance
Contact Lenses		
• Necessary	No Charge	\$150 allowance
• Cosmetic	Balance over \$150 (in Lieu of Materials Only)	\$130 allowance (in Lieu of Materials Only)

Notes:

- In-network benefit frame allowance of \$150.00 retail (\$50 wholesale).
- Receive 20% savings when you purchase non-covered pairs of prescription glasses when purchased from the same VSP doctor within 12 months of your last eye exam.
- Receive a 15% savings off the cost of your contact lens exam from a VSP doctor.
- Your contact lens exam is performed in addition to your routine eye exam to check for health risks associated with improper wearing or fitting of contacts.
- Lens options, such as coatings, progressive lenses, and polycarbonate lenses are available to you at VSP's member preferred pricing. Polycarbonate lens, which are shatter proof and scratch proof, will be offered as a standard lens benefit for children up to age 19.
- VSP has contracted with many of the nation's finest laser surgery facilities and doctors, offering you a discount off PRK and LASIK surgeries. Visit the VSP web site for more information at www.vsp.com.

The provider panel can change without notice. Employees are responsible for verifying that their provider is part of the network before obtaining services. To verify, contact the provider directly or VSP at 800-877-7195.

Delta Dental Plan Comparison Chart

The provider panel can change without notice. Employees are responsible for verifying that their provider is part of the network before obtaining services. To verify, contact the provider directly or visit the Delta Dental website at www.deltadental.com.

Co-Pays/Deductibles	Delta Hi-Option PPO (Premier Plan) Policy #1512 ⁽¹⁾	Delta Standard-Option PPO (PPO Plan) Policy #1844		Delta Core ⁽⁶⁾ (Core Plan) Policy #1658
Annual Maximum Benefit	\$1,250 per individual	\$1,250 per individual		\$500 per individual
Calendar Year Deductibles		In-Network	Out-of-Network	
• Per Person	\$50	\$50	\$50	\$75
• Per Family	\$100	\$150	\$150	No Max
Routine Dentistry ⁽²⁾				
• Cleaning	100%	100%	⁽⁵⁾ ⁽⁷⁾ 80%	100%
• Oral Exams	100%	100%	80%	100%
• X-Rays	100%	100%	80%	100%
• Sealants ⁽³⁾	100%	100%	80%	100%
Basic Dentistry ⁽⁴⁾ ⁽⁷⁾				
• Fillings	80%	70%	⁽⁵⁾ 50%	50%
• Extraction	80%	70%	50%	50%
• Root Planning/Quadrant	80%	70%	50%	50%
Major Dentistry ⁽⁷⁾				
• Crown (full cast)	50%	50%	⁽⁵⁾ 50%	50%
• Denture repair	50%	50%	50%	50%
• Bridge	50%	50%	50%	50%
Orthodontia				
• Orthodontic Benefit	50%	50%		Not Covered
• Lifetime Maximum	\$2,000	\$2,000		

Notes:

- (1) Employee and plan receive discounted contract pricing, if a PPO In-Network provider is utilized.
- (2) Deductible does not apply on routine dentistry services.
- (3) Sealants for permanent teeth of children through age 14 are a covered benefit on all plans as a routine dentistry service.
- (4) Resin or Composite filling will be covered at the same benefit as amalgam filling.
- (5) The plan pays this portion of the Maximum Plan Allowance (MPA) for services as established by Delta Dental. If the dentist charges more than the MPA, the member is responsible for the additional costs. Using a Non-Participating provider may result in additional out-of-pocket expenses.
- (6) Any dentist may be used. If a non-participating dentist is chosen, additional out-of-pocket expenses may be incurred if the dentist charges more than the MPA.
- (7) The deductible applies to these services.
 - The plan will pay 50% coinsurance for one occlusal mouth guard per lifetime to prevent grinding.
 - Over-the-counter (OTC) mouth guards will be excluded under the Dental Plan.
 - The coinsurance will apply towards the Annual Plan Maximum.

Did You Know? –The City offers up to four cleanings per year for those with periodontal disease? You may be eligible for up to four total annual cleanings if you have periodontal disease and/or any of the following medical conditions:

- People with diabetes who have periodontal (gum) conditions.
- Pregnant women who have periodontal (gum) conditions.
- People with cardiovascular disease who have periodontal (gum) conditions.
- People with kidney failure or undergoing dialysis
- People with suppressed immune systems due to:
 - Chemotherapy and/or radiation treatment
 - HIV positive status
 - Organ Transplant
 - Stem Cell (bone marrow) Transplant

Direct Reimbursement (DR) Dental Coverage Plan Chart

DR Hi-Option Plan	
Annual Maximum Benefit	\$1,500 per individual
Coverage at 100%	First \$200 of expenses
Coverage at 50%	Next \$2,600 of expenses
Covered Services / Procedures	All dental services and procedures are covered with the exception of bleaching

Notes:

- You may use the dentist of your choice
- All procedures except teeth bleaching are covered
- No deductible or fee schedule applies
- Benefits are paid based on the dollars spent rather than the procedure
- Claims can be filed by the dental provider

EXHIBIT 8 COLORADO SPRINGS UTILITIES PLAN COMPARISONS & RATES

Medical plans comparisons

Health reimbursement account	Personal Choice Plan #35	TRADITIONAL CHOICE PLAN #36	Primary Choice Plan #37	
HRA standard funding (employee/family)	\$400 / \$600	\$150 / \$225	\$150 / \$225	
HRA incentive/wellness funding ⁽¹⁾ (employee/spouse)	\$200 / \$300	\$200 / \$300	\$200 / \$300	
Total possible HRA funding (employee/family)	\$600 / \$900	\$350 / \$525	\$350 / \$525	
Benefit Description ^{(2) (3)}	In-network benefits (Must use Cofinity network) ⁽⁴⁾			Out-of-network benefits (Same across all plans)
Lifetime maximum	\$2 million per individual			
Annual deductible (individual/family)	\$1,500 / \$3,000	\$750 / \$1,500	\$500 / \$1,000	\$2,500 / \$5,000
Coinsurance (plan pays)	80%	80%	85%	60%
Annual out-of-pocket maximum (individual/family)	\$2,000 / \$4,000	\$1,500 / \$3,000	\$2,000 / \$4,000	\$3,000 / \$6,000
Office visit co-pay	\$25 PCP \$50 specialist	\$20 PCP \$40 specialist	\$20 PCP \$40 specialist	Subject to D & C*
Wellness benefit co-pay ⁽⁵⁾	\$25	\$20	\$20	Subject to D & C*
	Annual physical and routine lab services, well child and routine immunizations covered at 100%			
Urgent care co-pay ⁽⁶⁾	\$50	\$40	\$40	\$50
Emergency room co-pay ⁽⁷⁾	\$150			
Alternative medicine ⁽⁸⁾	Plan pays 50% of each claim, up to an annual family maximum of \$400 (not subject to out-of-pocket maximum or deductible)			
Outpatient mental health co-pay	\$50	\$40	\$40	Subject to D & C*
Inpatient mental health	Inpatient covered in the same way as other hospital inpatient stay			Subject to D & C*
Inpatient hospital services	Subject to D & C*	Subject to D & C*	Subject to D & C* Plus \$250	Subject to D & C*
Outpatient hospital services	Subject to D & C*	Subject to D & C* plus \$100 ⁽⁹⁾	Subject to D & C* plus \$150 ⁽⁹⁾	Subject to D & C*
Diagnostic services ⁽¹⁰⁾	Subject to D & C*			
MRI & CT scans ⁽¹¹⁾	Subject to D & C*	Subject to D & C*	Subject to D & C* plus \$150	Subject to D & C*

*Subject to annual deductible and coinsurance

See notes on next page

Choice Medical Plan comparison chart

Prescription coverage ⁽¹²⁾ (must use a HealthTrans in-network pharmacy)			
	Generic ⁽¹³⁾	Preferred brand ^{(13) (14)}	Nonpreferred brand ⁽¹⁴⁾
Retail 30-day supply co-pay	Greater of \$10 or 10% of actual cost with a \$40 maximum per prescription	Greater of \$25 or 20% of actual cost with a \$60 maximum per prescription	Greater of \$40 or 30% of actual cost with a \$100 maximum per prescription
Retail 90-day supply co-pay	Greater of \$25 or 20% of actual cost with a \$100 maximum per prescription	Greater of \$63 or 20% of actual cost with a \$150 maximum per prescription	Greater of \$100 or 30% of actual cost with a \$250 maximum per prescription
Mail order co-pay (90-day supply)	\$30	\$75	\$100
	If actively engaged in the diabetes Informed Care Management Program, diabetic supplies ordered through mail order will be covered at 100%		
Specialty pharmacy (up to 34-day supply)	This program is designed to improve member outcomes for acute-care therapies. Members receive up to a 34-day supply of specialty pharmacy medications at the monthly retail co-pay structure noted above.		
Pilot PPI Program ⁽¹⁵⁾ (acid reflux medications)	Over-the-counter (OTC) protein pump inhibitors, such as Prilosec OTC or equivalent store brand medication will be filled for \$5 co-pay for up to a 28-day supply at in-network retail pharmacies, or \$10 co-pay for an 84-day supply only through HealthTrans mail order. A prescription is required. The claim must be processed through the pharmacy claim system in order to receive the OTC benefit.		
Pilot Statin Program ⁽¹⁵⁾ (cholesterol lowering medications)	The initial co-pay for covered members will be waived for Simvastatin or Lovastatin only at Target retail pharmacies for the initial fill or if moving from a higher cost statin.		

Notes

- (1) To receive the 2009 HRA incentive funding, you must have earned 35 wellness credits and spouse must have earned 26 wellness credits in 2008, which includes the completion of the 2008 health assessment, available online through Nov. 15 at www.csuhealthyliving.com.
- (2) Co-pays do not apply towards the out-of-pocket maximums or deductibles.
- (3) Deductibles and out-of-pocket maximums are accounted for separately for in-network and out-of-network services. Deductibles do not apply toward out-of-pocket maximums.
- (4) To receive an in-network medical benefit, you must use the Cofinity network. To find provider who is participating in this network, visit the intranet, www.cofinity.net or call 800-831-1166.
- (5) Routine wellness lab services for in-network benefits are covered at 100% if provided by or ordered by a primary care physician during an annual routine physical. If additional diagnostic services are rendered during a wellness visit, then deductible and coinsurance will apply.
- (6) Urgent care is for minor episodic care at urgent care facility, not for routine care. Diagnostic and surgical coinsurance may apply.
- (7) Emergency room visits are considered an in-network benefit. Diagnostic and surgical coinsurance may apply. Co-pay will be waived if you are admitted.
- (8) Alternative medicine services include acupuncture, massage therapy, nutritionist counseling services, chiropractic services, homeopathic services and naturopathic services. Use in-network providers for best value.
- (9) Co-pay is assessed if performed in an ambulatory surgical facility.
- (10) Diagnostic services include, but are not limited to, laboratory services, x-rays, ultra-sounds, nerve conduction testing, and electrocardiographs.
- (11) MRI & CT scans co-pays and coinsurance applies to outpatient services only. MRI & CT scans co-pay is waived if performed during an inpatient stay, outpatient surgical procedure or during an emergency room visit.

CITY OF COLORADO SPRINGS

- (12) To receive a prescription benefit, you must use an in-network pharmacy.
- (13) Generic and preferred brand drugs are listed on the formulary and are subject to change quarterly.
- (14) You will pay the cost difference if a brand drug is dispensed when a generic is available.
- (15) The pilot program may end at any time, if the plan determines there is no financial advantage to the plan and/or members to continue. This could occur for any reason not limited to when category brands are no longer patented and generics become widely available or if the financial terms offered to the plan are no longer favorable.

CITY OF COLORADO SPRINGS

2009 rate schedules for full-time employees

SEMI-MONTHLY RATE SCHEDULE FOR EMPLOYEES REGULARLY SCHEDULED TO WORK 30 OR MORE HOURS WEEKLY

(24 payroll deductions per calendar year)

EE only = employee only; EE + CH = employee + children; EE + SP = employee + spouse; EE + FM = employee + family

PERSONAL CHOICE MEDICAL

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive		\$31.25		\$31.25
EE Only	\$201	\$211	\$0	\$10
EE + CH	\$349	\$335	\$14	\$0
EE + SP	\$365	\$351	\$14	\$0
EE + FM	\$514	\$493	\$21	\$0

TRADITIONAL CHOICE MEDICAL

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive		\$31.25		\$31.25
EE Only	\$221	\$208	\$13	\$0
EE + CH	\$415	\$335	\$80	\$0
EE + SP	\$436	\$351	\$85	\$0
EE + FM	\$625	\$502	\$123	\$0

Primary Choice Medical

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive		\$31.25		\$31.25
EE Only	\$207	\$198	\$9	\$0
EE + CH	\$388	\$345	\$43	\$0
EE + SP	\$407	\$363	\$44	\$0
EE + FM	\$583	\$518	\$65	\$0

VISION SERVICE PLAN

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive				\$0
EE Only	\$4	\$0	\$4	\$0
EE + CH	\$10	\$0	\$10	\$0
EE + SP	\$11	\$0	\$11	\$0
EE + FM	\$13	\$0	\$13	\$0

New Delta Standard Dental

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive				\$0
EE Only	\$18	\$18	\$0	\$0
EE + CH	\$35	\$18	\$17	\$0
EE + SP	\$39	\$18	\$21	\$0
EE + FM	\$56	\$18	\$38	\$0

Delta Core Dental

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive				\$0
EE Only	\$11	\$11	\$0	\$0
EE + CH	\$21	\$18	\$3	\$0
EE + SP	\$21	\$18	\$3	\$0
EE + FM	\$32	\$18	\$14	\$0

2009 rate schedules for part-time employees

SEMI-MONTHLY RATE SCHEDULE FOR EMPLOYEES REGULARLY SCHEDULED TO WORK 20-29 HOURS WEEKLY

(24 payroll deductions per calendar year)

EE only = employee only; EE + CH = employee + children; EE + SP = employee + spouse; EE + FM = employee + family

PERSONAL CHOICE MEDICAL

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive		\$15.63		\$15.63
EE Only	\$201	\$105	\$96	\$0
EE + CH	\$349	\$167	\$182	\$0
EE + SP	\$365	\$175	\$190	\$0
EE + FM	\$514	\$246	\$268	\$0

TRADITIONAL CHOICE MEDICAL

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive		\$15.63		\$15.63
EE Only	\$221	\$104	\$117	\$0
EE + CH	\$415	\$167	\$248	\$0
EE + SP	\$436	\$175	\$261	\$0
EE + FM	\$625	\$251	\$374	\$0

Primary Choice Medical

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive		\$15.63		\$15.63
EE Only	\$207	\$99	\$108	\$0
EE + CH	\$388	\$172	\$216	\$0
EE + SP	\$407	\$181	\$226	\$0
EE + FM	\$583	\$259	\$324	\$0

VISION SERVICE PLAN

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive				\$0
EE Only	\$4	\$0	\$4	\$0
EE + CH	\$10	\$0	\$10	\$0
EE + SP	\$11	\$0	\$11	\$0
EE + FM	\$13	\$0	\$13	\$0

New Delta Standard Dental

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive				\$0
EE Only	\$18	\$9	\$9	\$0
EE + CH	\$35	\$9	\$26	\$0
EE + SP	\$39	\$9	\$30	\$0
EE + FM	\$56	\$9	\$47	\$0

Delta Core Dental

Coverage	Total plan cost	Employer share	Employee share	Cash back
Waive				\$0
EE Only	\$11	\$6	\$5	\$0
EE + CH	\$21	\$9	\$12	\$0
EE + SP	\$21	\$9	\$12	\$0
EE + FM	\$32	\$9	\$23	\$0

RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

- RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

- RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

- RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

- RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

- RFP R08-132JJ
Project: Benefit Consulting Services

RFP R08-132JJ
Project: Benefit Consulting Services

- RFP R08-132JJ
Project: Benefit Consulting Services

CITY OF COLORADO SPRINGS

- With annual eye exams, your VSP doctor will help detect symptoms and manage problems for diabetes/diabetic retinopathy, glaucoma, macular degeneration, high cholesterol and hypertension.
- To ensure continuity of care, your VSP doctor will share exam findings with your primary care physician and ActiveHealth Management, Springs Utilities' Informed Care Management vendor, if enrolled in one of Springs Utilities Medical Plans.
- Your VSP claim information will be populated in ActivePHR at www.activehealthphr.net/csu, your secure and confidential personal health record, only if you are enrolled in one of Springs Utilities Choice Medical Plans.

Delta Dental Plan comparison chart

Benefit Description	Delta Standard Plan Policy # 7714			Delta Core Plan Policy # 7716
	PPO Network ⁽¹⁾ (PPO or PPO Achieve ⁽³⁾ Providers)	Premier Network ⁽²⁾ (Premier or Premier Achieve ⁽³⁾ Providers)	Out-of-Network (Non-participating ⁽⁴⁾)	Any Dentist Choice (Premier ⁽²⁾ /Achieve ⁽³⁾ or Non-participating ⁽⁴⁾ , PPO ⁽⁵⁾ /Achieve ⁽³⁾ dentists treated as Premier ⁽²⁾ dentists)
Annual Maximum per individual	\$1500	\$1250	\$1250	\$500
Plan-year Deductibles* : individual/family (applies only to those with an asterisk*)	\$25 / \$50	\$50 / \$100	\$50 / \$100	\$75
Diagnostic, preventative and adjunctive: Cleanings, x-rays, space maintainers ⁽⁵⁾ , sealants ⁽⁶⁾ , fluoride varnishes ⁽¹⁰⁾	100%	100%	80%	100%
Basic services: Fillings ⁽⁷⁾ , extractions/oral surgery/anesthesia, periodontics, endodontics	80%*	80%*	50%*	50%*
Major services: Relines/denture repair, crowns (full cast), partial and complete dentures; implants	50%*	50%*	50%*	50%*
Orthodontia⁽⁸⁾: Lifetime maximum	50% \$2,000	50% \$2,000	50% \$2,000	Not covered

- (1) PPO dentists: These dentists have agreed to accept the PPO discounted fee schedule. Using a PPO dentist guarantees that you will receive the highest level of benefits available and provides the best value.
- (2) Premier Participating dentists: These dentists have agreed to accept the Maximum Plan Allowance. The dentist agrees not to charge you over and above the Maximum Plan Allowance.
- (3) Achieve dentists are already either PPO or Premier participating providers. You do not have to enroll in a separate plan to utilize these dentists. Achieve dentists reflect specific practices that are proven to result in better long-term oral health outcomes. To find an Achieve dentist, visit www.deltadentalco.com, Click on the Achieve Plan Provider search link located under section "Need a Dentist?" Enter your group ID plan number from above.
- (4) Non-Participating dentists: You will pay the dentist the full billed charges and will be responsible for filing the claim with Delta. Delta will reimburse you up to the Maximum Plan Allowance for Non-Participating dentists. Any difference in costs between the dentist's full billed charges and the amount paid to you by Delta is your responsibility.
- (5) A space maintainer is covered as a routine dentistry benefit on all plans for children up to age 13.
- (6) No age limitation for sealants.
- (7) Porcelain fillings are covered at the same benefit percentage as amalgam fillings.

CITY OF COLORADO SPRINGS

- (8) The orthodontic lifetime maximum benefit is in addition to the annual maximum benefit. Available to covered employees and dependents.
- (9) Under the CORE plan, PPO dentists are treated as Premier Dentists and benefits are paid based on the maximum plan allowance.
- (10) Two annual fluoride varnishes are covered with no age limit.

Note: The plan will pay for one mouth guard to prevent grinding. Benefit will be paid at 50% coinsurance once per lifetime, which will be applied toward the annual maximum benefit. Over-the-counter mouth guards are excluded.

EXHIBIT 9 MEMORIAL HEALTH SYSTEM PLAN COMPARISONS & RATES

Your Cost For Coverage

In 2009, MHS enrolled employees share in about 15% of the cost of their medical coverage at any level. This provides great medical plans at below market costs. Employee contributions for the medical and dental plans will be charged according to your Full Time Equivalent (FTE) number. A full-time status employee can be either regularly scheduled for 80 hours per pay period which is designated as a 1.0 FTE, or 72 hours per pay period which is designated as a .9 FTE. Part-time employees can be .5, .6, .7, or .8 FTE depending on their regularly scheduled work hours. A weekend only status employee is a .6 full-time FTE but receives benefits the same as a .9 full-time FTE. You can see your FTE number in the Lawson Employee Self-Service (ESS) system by selecting the "Job Profile" link found on your Employment tab.

Medical Premium Summary

M-Care					
	1.0 FTE - .9 FTE	.8 FTE	.7 FTE	.6 FTE	.5 FTE
	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly
Employee Only	\$35.46	\$44.33	\$53.19	\$62.06	\$70.92
Employee + Spouse	\$71.01	\$88.77	\$106.52	\$124.27	\$142.02
Employee + Child(ren)	\$60.47	\$75.59	\$90.71	\$105.82	\$120.94
Family	\$106.21	\$132.76	\$159.31	\$185.87	\$212.42

M-Care 2					
	1.0 FTE - .9 FTE	.8 FTE	.7 FTE	.6 FTE	.5 FTE
	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly
Employee Only	\$17.36	\$21.70	\$26.04	\$30.39	\$34.73
Employee + Spouse	\$34.77	\$43.46	\$52.15	\$60.84	\$69.54
Employee + Child(ren)	\$29.61	\$37.01	\$44.41	\$51.81	\$59.22
Family	\$52.00	\$65.00	\$78.00	\$90.99	\$103.99

Dental Premium Summary

Delta Dental					
	1.0 FTE - .9 FTE	.8 FTE	.7 FTE	.6 FTE	.5 FTE
	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly	Employee Pays Biweekly
Employee Only	\$7.78	\$8.75	\$9.72	\$10.69	\$11.67
Employee + Spouse	\$15.55	\$17.50	\$19.44	\$21.39	\$23.33
Employee + Child(ren)	\$18.59	\$20.91	\$23.23	\$25.56	\$27.88
Family	\$31.10	\$34.99	\$38.88	\$42.77	\$46.66

Vision Premium Summary

EyeMed Vision		
	Full-Time	Part-Time
	Employee Pays Biweekly	Employee Pays Biweekly
Employee Only	\$3.24	\$3.24
Employee + Spouse	\$6.15	\$6.15
Employee + Child(ren)	\$6.47	\$6.47
Family	\$9.52	\$9.52



Vision Plan

The vision plan offered to full and part-time employees of Memorial Health System is a voluntary plan through EyeMed. The cost is paid by the employee with the option to have payroll deductions for this plan taken out before or after taxes.

This plan allows for members to choose between in-network and out-of-network services. In-network services provide less out of pocket expenses. Annual enrollment for this plan is held in the fall.



Benefit Summary	In-Network	Out-of-Network
Eye Exam, one each 12 months	\$10 copay	Up to \$45 allowance
Standard Plastic Lenses, one pair each 12 months		
Single	\$20 copay	\$45 allowance
Bifocal	\$20 copay	\$65 allowance
Trifocal	\$20 copay	\$85 allowance
Lenticular	\$20 copay	\$125 allowance
Standard Progressive	\$85 copay	\$65 allowance
Premium Progressive	\$85 copay, 80% of charge less \$120 allowance	\$65 allowance
Lens Options		
UV Coating	\$15	N/A
Tint (Solid and Gradient)	\$15	N/A
Standard Scratch-Resistance	\$0	\$5
Standard Polycarbonate	\$40	N/A
Standard Anti-Reflective Coating	\$45	N/A
Other Add-Ons and Services	\$85, 80% of charge less \$120 allowance	N/A
Frames, one pair each 12 months	\$0 copay, \$130 allowance, 20% off balance over \$130	100% up to \$63 allowance
Contact Lenses*, one pair each 12 months		
Conventional	\$0 copay, \$150 allowance, 15% off balance over \$150	\$150 allowance
Disposable	\$0 copay, \$150 allowance	\$150 allowance
Medically Necessary	\$0 copay, Paid-in-Full	\$210 allowance

* In lieu of glasses.

Dental Plan

Memorial Health System's dental plan is a Preferred Provider Organization (PPO) plan through Delta Dental that allows participants to use the dentist of their choice. You receive the maximum benefit under the plan and pay a smaller amount out of your pocket when you seek treatment from a Delta Dental network dentist. Covered services include preventive care, basic and major restorative care and orthodontic care for children up to age 18. Employees have the option to have their payroll deductions for this plan taken out before or after taxes.



Employees and dependents who enroll in the dental plan after their initial enrollment period and do not provide proof of prior dental coverage will be subject to late entrant limited coverage penalty. This late entrant limited coverage penalty means that preventative services and single surface fillings will be the only services covered in the first 12 months under Memorial's plan. No other services are covered during the penalty period.

Benefit Summary	PPO Plan	
	Delta Dental Provider	Non-Delta Dental Provider
Calendar Year Deductible	\$25 per person	\$25 per person
Maximum Calendar Year Benefit	\$1,250 per person	\$1,250 per person
Preventive Care (cleaning and exams)	100%	100% of Reasonable & Customary Charges
Basic Care (fillings, extractions, root canal)	80% after deductible	80% of Reasonable & Customary Charges after deductible
Major Care (bridges, crowns, dentures)	50% after deductible	50% of Reasonable & Customary Charges after deductible
Orthodontics (to age 19)	50% after deductible	50% of Reasonable & Customary Charges after deductible
Orthodontic Lifetime Maximum	\$1,500 per person	\$1,500 per person

Tips to Manage Your Dental Costs

- ❖ See your dentist regularly for cleanings and oral examinations – preventive care is covered at 100% when you use a Delta Dental network dentist.
- ❖ Participate in the Health Care Flexible Spending Account and use pre-tax dollars to pay for out-of-pocket costs (such as co-insurance or amounts in excess of the annual maximum). See the Health Care FSA section of this guide for details.

Definitions of Covered Services

- **Preventive Care** – Cleanings, oral examinations, topical fluoride applications, X-rays, space maintainers and sealants.
- **Basic Services** – Fillings, simple extractions, endodontics, repair of crowns, dentures, inlays and onlays, general anesthesia, oral surgery and periodontics.
- **Major Services** – Bridgework, crowns, onlays, inlays, dentures.