

**THE  
RHODE ISLAND TURNPIKE  
AND BRIDGE AUTHORITY  
REQUEST FOR PROPOSALS**

**HEALTH BENEFITS BROKER**

**CONTRACT #14-3**

**April 2014**

Earl J. Croft III, Executive Director  
Rhode Island Turnpike and Bridge Authority  
1 East Shore Road (P.O. Box 437)  
Jamestown, Rhode Island 02835  
Telephone (401) 423-0800 – Fax (401) 423-0830

**RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY**

**REQUEST FOR PROPOSALS**

**HEALTH BENEFITS BROKER**

**CONTRACT #14-3**

The Rhode Island Turnpike and Bridge Authority (the Authority) is seeking the services of qualified firms to provide health benefits broker, in accordance with the terms, conditions, and specifications contained in this Request for Proposal (RFP).

Sealed bids will be accepted until 3:00 p.m., Thursday, May 15, 2014 at the office of the Authority, One East Shore Road, Jamestown, Rhode Island. Three (3) copies of the proposal must be submitted in a sealed envelope marked "Health Benefits Broker – Contract #14-3" and may be mailed to the Authority or hand carried and delivered to the Authority prior to the bid opening. Bids will be opened publicly and read at the Authority's office on Thursday, May 15, 2014 at 3:00 p.m.

The evaluation committee will review all submissions and evaluate the proposals. The committee will select no more than three firms or individuals to present to the Executive Director for his decision. The Executive Director may request additional information from any proposer and an interview process will follow on May 27, 2014. The Executive Director will negotiate the fee with the vendor selected or accept the proposed fee if it is in the best interest of the Authority. If an agreement cannot be reached, the Executive Director will negotiate with the next choice until a satisfactory agreement is reached. The resulting agreement will be for a period of three years.

If selected, interviews will be conducted on Tuesday, May 27, 2014

No bid may be withdrawn for a period of ninety (90) days subsequent to the opening thereof without permission of the Executive Director.

The authority reserves the right to reject any or all bids, waive any informalities in the bidding, or accept the bid deemed to be in the best interest of the Authority.

## **OVERVIEW**

The Rhode Island Turnpike and Bridge Authority is requesting proposals from firms qualified to act as the Health Benefits Broker. RITBA is a Rhode Island quasi-public agency providing health care benefits to approximately 30 individuals.

The Authority is under contract with Blue Cross Blue Shield of RI for a consumer-driven, high deductible plan with a deductible reimbursement component. The Authority funds a Health Reimbursement Account to cover deductible payments. The policy has a renewal date of January 1, 2015. The Authority also carries a dental plan with Delta Dental as well as a vision care plan with United Health Vision.

The Authority, through this RFP process, intends to select a broker which will work with the Authority to solicit quotes from health insurance carriers, negotiate premiums, when appropriate, and administer the contract through the healthcare contract period.

## **GENERAL TERMS AND CONDITIONS**

### **1. RECEIPT AND OPENING OF PROPOSALS:**

Proposals will be accepted and time stamped upon receipt in the office of the Executive Director, and will be held securely until the time indicated on the attached Advertisement for Bids, for the services listed in the specifications and will then be publicly opened and read.

### **2. FORM OF BID:**

Bidders shall submit three (3) copies of their bid, on the form provided, with supplemental information, and other required documentation, literature and material to be provided with the bid, on the bidders own form.

### **3. TERM OF BID:**

The term of this contract is three (3) years.

### **4. SUBMISSION OF BIDS:**

- a. Envelopes containing bids must be sealed and addressed to the Office of the Executive Director, PO Box 437, Jamestown, RI 02835 and must be marked with the name and address of the bidder, date and hour of opening, and name of item in the bid call.
- b. The Executive Director will decide when the specified time has arrived to open bids, and no bid received thereafter will be considered.

- c. Any bidder may withdraw his bid by written request at any time prior to the advertised time for opening. Telephone bids, amendments, or withdrawals will not be accepted.
- d. Unless otherwise specified, no bid may be withdrawn for a period of ninety (90) days from time of bid opening.
- e. Negligence on the part of the bidder in preparing the bid confers no rights for the withdrawal of the bid after it has been opened.
- f. Proposals received prior to the time of opening will be securely kept, unopened. No responsibility will be attached to an officer or person for the premature opening of a proposal not properly addressed and identified.
- g. Any deviation from the specifications must be noted in writing and attached as part of the bid proposal. The bidder shall indicate the item or part with the deviation and indicate how the bid will deviate from specifications.

5. RHODE ISLAND SALES TAX:

The authority is exempt from the payment of the Rhode Island Sales Tax under the 1956 General Laws of the State of Rhode Island, 44-18-30, Paragraph I, as amended..

6. FEDERAL EXCISE TAXES:

The authority is exempt from the payment of any excise tax or federal transportation taxes. The price bid must be exclusive of taxes and will be so construed.

7. QUALIFICATION OF BIDDERS:

The Authority may make such investigations as it deems necessary to determine the ability of the bidder to perform the work. The bidder shall furnish the Authority with all such information and data for the purpose as may be requested.

8. EVALUATION CRITERIA:

The Rhode Island Turnpike and Bridge Authority evaluation committee will use the following weighted scale when evaluating the proposals from Investment Services bidders.

	Percentage
1. Past Experience of the Firm	
Working with similarly-sized firms	30%
Negotiating consumer-driven, high deductible plans	20%
2. Services provided by firm	40%
3. Additional Fees to Client	10%

9. ADDENDA AND INTERPRETATIONS:

No interpretation on the meaning of the plans, specifications or other contract document will be made to any bidder orally. Every request for such interpretations should be in writing, addressed to the Executive Director, c/o Nancy Parrillo, PO Box 437, Jamestown, RI, 02835, or via email to Nancy Parrillo at [nparrillo@ritba.org](mailto:nparrillo@ritba.org) and to be given consideration must be received at least seven (7) days prior to the date fixed for the opening of the bids.

All questions pertaining to the specifications or proposal procedure should be first directed to the Executive Director. Where information from the Executive Director differs from information from any other source, the information from the Executive Director prevails. The Authority is not responsible for information obtained from any other source.

10. AWARD OF BIDS:

The Authority reserves the right to award in whole or in part.

11. HOLD HARMLESS:

The contractor shall be responsible for his work and every part thereof, and for all materials, tools, appliances, and property of every description used in connection therewith. The contractor agrees to indemnify and hold harmless the Rhode Island Turnpike and Bridge Authority, its employees and agents, against loss or expense by reason of the liability imposed by law upon the contractor, all sub-contractors, or owner for damage because of bodily injuries, including person or persons or on account of damage to property arising out of or in consequence of the performance of this work whether such injuries to persons or damage to property are due or claimed to be due to any negligence, including gross negligence, of a sub-contractor, the owner, the general contractor, his or their employees or agents, or any other person.

## **SPECIFICATIONS**

### **RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY**

#### **REQUEST FOR PROPOSALS**

##### **HEALTH BENEFITS BROKER Contract #14-3**

#### **PROPOSAL REQUIREMENTS:**

In order to be considered responsive, firms shall submit, at a minimum, the following as part of their proposals:

##### Technical Proposal Elements

1. Description of services provided by the firm
2. Firm's past experience with consumer-driven, high-deductible healthcare plans
3. Firm's methodology to procuring healthcare benefits on behalf of their clients
4. Person that will be primary point of contact with the Authority
5. Qualifications of the firm to provide the requested services  
A listing of all staff to be assigned to the engagement and their respective qualifications, past experience on engagements of this scope, and their role in those past engagements.

##### Cost Proposal Elements

1. Disclosure of fees received by provider
2. Any additional fees charged to the client
3. Services provided by the firm for the fee earned

##### Administrative Proposal Elements

1. Certification of availability of individuals proposed and ability to complete a healthcare policy procurement process to support a January 1, 2015 commencement
2. References from 3 firms similarly-sized to the RITBA
3. Copies of all documentation which demonstrate the firm(s) has the legal ability to perform the services in the State of Rhode Island, described generally herein
4. Certification that a Certificate of Good Standing from the Rhode Island Division of Taxation will be delivered to the Authority upon award.
5. A listing of all current and ongoing contracts between the firm and any other Quasi State Agencies or for the State of Rhode Island.
6. A disclosure of all outstanding financial obligations with the State of Rhode Island

#### **REFERENCES**

- Provide a list of your five clients, including contact person and telephone numbers.

##### **HEALTH BENEFITS BROKER**





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Arthur J. Gallagher & Co.  
BUSINESS WITHOUT BARRIERS™

May 13, 2014

Mr. Earl J. Croft III  
Executive Director  
Rhode Island Turnpike and Bridge Authority  
1 East Shore Rd.  
Jamestown, RI 02835

**RE: Contract #14-3 – Response to RFP for Health Benefits Broker**

Dear Mr. Croft:

On behalf of Gallagher Benefit Services, I am pleased to submit our formal response to the Rhode Island Bridge and Turnpike Authority Request for Proposal, Contract #14-3 (Health Benefits Broker). We have responded to all requirements contained in the request, and we are in compliance with all provisions, unless otherwise noted.

Gallagher has appreciated the opportunity to work with the Authority over the years to assist in managing its benefits plan, and in bringing quality and cost effectiveness to the benefits provided by the Authority for its members. We look forward to continuing our relationship in the years ahead as we face the changes and the challenges in health care and in other employee benefits.

Please contact me directly if you have any questions, and again, I look forward to meeting soon to discuss our proposal.

Regards,

A handwritten signature in black ink, appearing to read 'Terence Fleming', is written over a white background.

Terence Fleming

Area Vice President

# Rhode Island Turnpike and Bridge Authority

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## *Introduction*

Arthur J. Gallagher & Co. is pleased to provide this response to the Rhode Island Turnpike and Bridge Authority's Request for Proposal for a Health Benefits Broker.

Today, employee benefits programs can provide a tremendous competitive advantage for organizations that wish to attract, retain and motivate the finest employees. At Gallagher, we know that the Human Resources department of today faces an overwhelming task in understanding the complexities of the benefits marketplace.

Having been the Broker of Record for the Rhode Island Turnpike and Bridge Authority for the last several years, we know and understand the challenges that a small group faces as it pertains to employee benefits, especially when a collective bargaining unit is involved.

We have worked closely with the Authority to develop an employee benefits package that fits the needs of the organization. During that time, we have conducted all aspects of the annual medical plan renewal, including the underwriting assessment of the financial projections, solicitations for competitive bids, negotiations with the carriers, providing advice regarding plan design, assistance in communicating with employees, and coordinating the implementation of the plan each year with the carrier of choice.

As we know now more than ever, "one size doesn't fit all." To that end, Gallagher has worked hand-in-hand with the Authority to implement a formalized wellness program, institute a Health Reimbursement arrangement and annually evaluate the marketplace to ensure the best fits from a carrier perspective. Throughout the course of the years, we have availed ourselves when an issue has arisen with the bargaining unit, offering our opinions and expertise to help arrive at a mutually beneficial resolution for both parties. While the bulk of our time is spent consulting at the management level, to ensure the programs are fully utilized and understood we have conducted employee education and met one-on-one with employees when necessary.

Gallagher has provided expert guidance to thousands of companies since 1961. With more than 1,300 employees in over 70 offices, Gallagher is known industry-wide for the commitment, innovations, and creativity of our client-focused teams that are the driving force behind every customized program.

We are confident that once you review this RFP response you will still agree that Gallagher is fully qualified and will continue to exceed your expectations. We look forward to serving as your expert, advocate and partner for many years to come.

# Rhode Island Turnpike and Bridge Authority

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## Technical Proposal Elements

### 1. Description of services provided by the firm

#### Core Services

As Rhode Island Turnpike and Bridge Authority's current health benefits broker Arthur J. Gallagher provides a number of services, not just at the time of renewal but throughout the year. Our primary function is to review and assess the current benefit programs – medical, dental, vision, wellness and Health Reimbursement Arrangement (HRA) – in terms of competitiveness, cost-effectiveness and the organization's benefits philosophy. Our core services are to:

- **Develop an ongoing strategy with the Authority relative to all employee benefit plans,**
- **Negotiate the renewal** – We will solicit, review and negotiate the Authority's renewals each year for all programs. As part of that process, we will negotiate performance reviews where applicable. Our success has been in obtaining the most cost effective outcomes while maintaining an optimal benefit design. Additionally, we will provide recommendations to best manage risk in the years ahead. Our experience with health plans enables us to analyze benefit utilization data and formulate plan design and program alternatives to meet the utilization components most contributing to the account's cost.
- **Evaluate the utilization of the current medical Health Reimbursement Arrangement,**
- **Procure competitive bids** – Our standard bid solicitation process is described in a following section on Methodology for Procuring Health Coverage,
- **Make consultative suggestions relative to funding arrangements and plan design** – we will provide recommendations on benefit plan strategy on an ongoing basis. In connection with the renewal process each year, we will also make specific recommendations on plan design, employee contributions (if applicable) and program sourcing. Further, we will meet at least quarterly (if appropriate), discuss market trends and legislative changes, and strategize on any implications for the upcoming year's program, and
- **Consult on the impact of HealthCare Reform legislation,**
- **Assist the Authority in day to day matters involving benefits,**
- **Make marketplace assessments** – we will continue to advise the Authority on developments in the marketplace. These include utilization and cost trends in the local, regional or national market, benefit and plan design initiatives, funding alternatives and state and federal legislative developments. We are also meeting with health plans on a regular basis to assess the new products and programs that are being brought to market and advising our clients as to the appropriateness of these products, and
- **Additional Health and Welfare Plans** – In addition to the current employee benefit package of health, HRA, dental and vision Gallagher is well positioned in the marketplace to bid group and supplemental life/accidental death & dismemberment, short term disability and long term disability policies. As with the procurement of the current benefits, Gallagher evaluates all prospective carriers in terms of cost, benefit, efficiency and service. All compensation collected from additional lines will be disclosed per Gallagher's Compensation Disclosure process.

# Rhode Island Turnpike and Bridge Authority

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- **Employee Communication** – We will provide all necessary technical review of the Authority's current employee communications material. Should the Authority need any assistance with open enrollment memos or newsletters, our service team will be happy to develop for employee distribution.
- **Service and Account Advocacy** – Gallagher's experience in having worked with both local and national carriers is invaluable for our customers. We are a local presence, with national reach, and are here to address your day to day issues relative to your current carriers. Gallagher has always assisted its clients in resolving claims issues and other matters that arise on a daily basis.

As the employee benefits arena gets more complicated, our goal is to evaluate the marketplace trends – both locally and nationally – in a timely and efficient manner. Our expertise and our familiarity with the organization allows us to evaluate all options prior to the renewal meeting to ensure our time is focused on only those that would be viable.

## Underwriting

Gallagher has a dedicated underwriting unit and over 60 actuaries and associate actuaries on staff. As applicable, services include:

- Renewal budget and working rate calculations
- Plan design modeling
- Contribution modeling
- Health care reform impact modeling
- Benchmark data regarding benefits, contributions, funding

## Regulatory and Compliance

Additionally, we provide regular regulatory guidance. Gallagher has a dedicated, full-time compliance unit and full-time attorneys to assist the Authority's client team. This support allows the client team to provide the Authority with expert compliance support. While we are unable to provide legal counsel, we are able to keep the Authority up-to-date regarding pending and emerging legislation and regulations that may affect your plan. On a regular basis, account contacts receive email "blasts" outlining any recent legislative changes and other timely compliance issues. As applicable, our compliance unit records webinars, which are available free of charge to clients, to more thoroughly cover these issues. The passage of the healthcare reform legislation has already greatly changed the delivery of healthcare. Gallagher's local and national staff of compliance experts' sole responsibility is to help you understand the impact of this legislation to your organization's benefit program today and in the future. We are committed to helping you effectively navigate through the significant changes for the benefit of your organization, your employees, and their families.

Please refer to **Appendix 1** for more information on Gallagher's Compliance and Healthcare Reform consulting.

# Rhode Island Turnpike and Bridge Authority

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## **Wellness**

Gallagher was present to assist the Authority's development of a rewards-based wellness program and is able to support the initiative as it grows and changes form. Your Gallagher consulting team has the expertise, experience and resources to continue assisting to develop a customized wellness program that grows with the organization and its employees. The following represents areas of developed disciplines for which core consulting services and deliverables have been structured to support our clients' wellness solutions:

- Wellness and health management program design
- Budget planning and projecting
- Health fair management and oversight
- Employee engagement strategies
- Employee incentive modeling
- Technology and integration
- Employee education
- Compliance
- Performance management of contracted carriers and vendors
- Best practice health management

## **Administrative Services**

Third Party Administrators (TPAs) can be of great assistance to employers by both mitigating risk and easing administrative burden. Gallagher works with various highly capable vendors who can assist in the administration of:

- COBRA – We have already established COBRA administration under our current arrangement with the Authority and will continue to do so under the same terms going forward
- FSA
- HRA/HSA
- ERISA Compliance
- 5500 Filing

## **2. Firm's past experience with consumer-driven, high-deductible healthcare plans**

In addition to the Authority's current Consumer Driven Health Plan (CDHP) with Blue Cross and Blue Shield of Rhode Island, Gallagher has experience in designing and implementing various forms of consumer-driven healthcare including HRAs and Qualified High Deductible Health Plans with HSAs. We are constantly meeting with and monitoring the top providers in consumer-driven healthcare, which allows us to communicate new concepts, ideas and trends that will be beneficial to the Authority. More than 20 of our clients have been using alternate arrangements, such as Health Reimbursement Arrangements, for so many years that we now have a valid benchmarking sample from which we can draw to advise other clients. The consumer-driven concept is teaching employees how to become better stewards of the healthcare dollar. We believe the keys to success of any consumer-driven plan are communication, education and incentives.

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The Authority's HRA utilization is monitored by Gallagher, the results of which allow us to make plan design and funding recommendations and adjust either accordingly. Of equal importance to how the HRA is running from a financial perspective is which Third Party Administrator (TPA) will administer the program for the Authority. Because Gallagher is closely acquainted with the Authority's culture we were able to choose a TPA that could best meet the Authority's needs and the need of its employees. After careful consideration we found that London Health Administrators, being a local, family-owned, Rhode Island company itself, would be a good fit and it has been a successful partnership thus far.

### 3. Firm's methodology to procuring healthcare benefits on behalf of their clients

#### **Renewal and Marketing**

The marketing and procurement of medical benefits for a group of the Authority's size is very different from that of a larger (51+ eligible employee) client. Rhode Island's small group market (1-50 eligible employees) is highly regulated and rates are driven solely by the age of the covered member. As a result of recent Healthcare Reform legislation, the largest challenge that came with the January 2014 renewal was the new medical rating methodology with which the Authority was faced. This was a prime example of how valuable it was for the Authority to be partnered with an agency that is so entrenched in the Healthcare Reform legislation. It is no longer enough to merely be aware of what is going on in the industry; it is vital to make the correlation to how the industry changes affect each client. With regards to this specific renewal-related issue, Gallagher provided two options to deal with the new age-banded rates, which allowed the Authority to make the best decision, from a contribution perspective, for its employees.

As it pertains to the renewal process for all of the benefit plans, the following are the highlights of Gallagher's strategy:

- Establish appropriate goals, financial and otherwise, as integral to the overall strategy
- Determine whether or not to go to market to explore alternatives
- Manage the renewal process with the incumbent carriers
- Obtain competitive bids from all carriers in the marketplace
- Develop projections of reasonable costs
- Develop timeline to cover every aspect of renewal including marketing from RFP preparation to delivery of employee communications
- Exploration of various funding mechanisms
- Monitor results over time

The timing and availability of renewal and new business rates is very much dependent upon the State of Rhode Island's approval to the carriers and the carriers' subsequent release of the rates to the broker community. With that said, every attempt is made to get renewal and competitive numbers in front of the Authority well in advance of its January renewal. We fully understand that the result of that renewal process and the magnitude of the renewal rates can have far-reaching

# Rhode Island Turnpike and Bridge Authority

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impacts within the organization. If, before or after, the renewal is received the decision is made to go to market our standard bid solicitation process includes the following steps:

- RFP Preparation
- Bid Analysis
- Decision Support – assist the Authority in coordinating finalist presentations, interviews and in making final determinations
- Implementation Management – Ensure the proper documentation is executed that a formal reporting structure is set up between the Authority and the successful bidder

Gallagher is highly involved in the employee benefits marketplace and is constantly learning about the latest developments in the business. We are also a leader in change and innovation. The Authority's client team provides the most up-to-date insight on new products and services not only to keep the employee benefits package competitive but also to help offset unfavorable renewal years.

## **Vendor Management**

We believe that proper vendor management begins with the selection of the right partner for the Authority's employee benefits program. As one of the leading employee benefits brokerage firms, we have strong working relationships with the top markets in the industry. Therefore, we interact regularly with them to understand their capabilities and offerings. You can be confident that we are recommending only the finest firms whose products and services have the broadest and most effective range of options. When carrier issues do arise, Gallagher is uniquely qualified to resolve complicated issues that require both high touch "all hands on deck" type support and broad-based technical expertise. Gallagher considers itself an extension of the HR department of our clients; a position that is more valuable today than ever before. We believe that our clients' issues are our issues and that the more responsibility we can assume, the more time the HR department has to address strategic issues that help drive the organization's business.

## **4. Person that will be primary point of contact with the Authority**

The primary contact for the Rhode Island Turnpike and Bridge Authority is Terence Fleming. Terry is recognized by his peers as one of Rhode Island's best health care consultants. Having worked at two of the major health carriers in Rhode Island, Terry's in-depth knowledge of the medical renewal process brings his clients a competitive advantage. He was the top sales producer nationally while at United HealthCare of New England. He was also Vice President of sales and Marketing at Pro-Mark, a pharmacy benefit management company, and a Marketing Director at Blue Cross & Blue Shield of Rhode Island. Terry earned his Certified Health Consultant (CHC) designation at Purdue University.

## **5. Qualifications of the firm to provide the requested services and a listing of all staff to be assigned to the engagement and their respective qualifications, past experience on engagements of this scope, and their role in those past engagements**

# Rhode Island Turnpike and Bridge Authority

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Gallagher Benefit Services is recognized as one of the top benefit consulting firms in the country. The benefits division of Arthur J. Gallagher closed its 2012 fiscal year at just under 461M which represents 18.3% of Arthur J. Gallagher & Co.'s total revenue. We have just over 1600 employees dedicated to employee benefits in 150 offices throughout the United States.

Please refer to **Appendix 2** for more information on Gallagher's full service capabilities.

The staff assigned to the Authority is located in our Warwick, RI office and is comprised of Terry Fleming and Anne Capezza. As the primary point of contact, Terry Fleming is responsible for carrier negotiation and strategic planning. With a book of business of over 50 clients and 30 years of experience in the healthcare industry, Terry is uniquely qualified to guide the Authority through the ever-changing healthcare landscape. He has consulted numerous clients through the intricacies of alternative funding arrangement and is experienced in working with organizations whose populations are comprised of union and non-union alike.

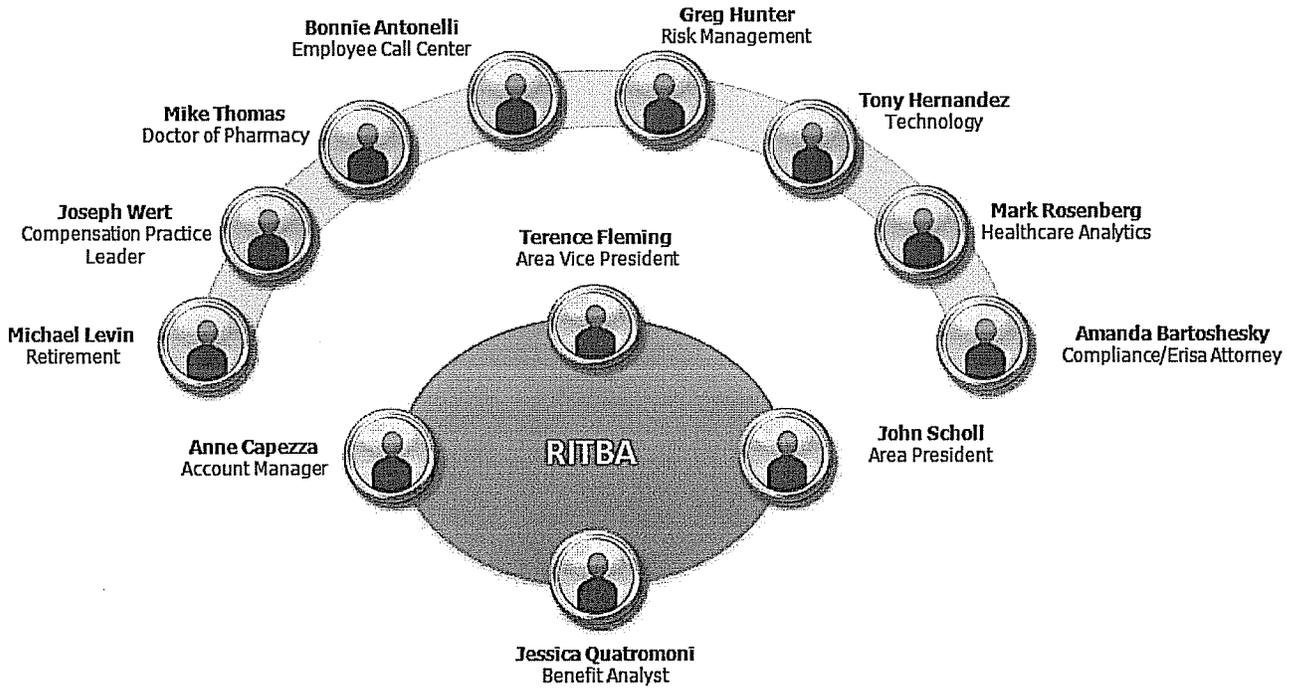
Anne Capezza is the Account Manager assigned to the Authority and is the day-to-day contact for service related issues and vendor management. Gallagher's service model is results oriented and stresses accountability. Anne's responsibility is not only to find a solution to a problem but to also ensure that it is resolved. Another key component to Anne's position is employee education; this has been a valuable role when the Authority has experienced a carrier change, benefit change, and overall grown its employee benefits program.

Gallagher understands that relationships are by far the most accurate measure of how successfully we conduct our business.

Our mission and values:

- To build the best benefit service practice with consultants who understand the value of building relationships, trust and inspiring the confidence in our clients.
- To provide superior, cost-effective benefit products and services that meet the ever-changing needs of our clients while continuing to strive for the highest professional excellence in the delivery of those products and services.
- To measurably help our clients manage and grow their business through our expertise and counsel in benefit services.
- To provide full transparency in every area of our business including pricing and revenue income.

# Rhode Island Turnpike and Bridge Authority



Please refer to **Appendix 2** for more information on Gallagher Benefit Services' Core Services and The Gallagher Way.

# Rhode Island Turnpike and Bridge Authority

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## *Cost Proposal Elements*

### **1. Disclosure of fees received by provider**

Gallagher has been a proponent of transparency for more than 20 years. Gallagher discloses revenue each year upon renewal and whenever there is a change in revenue. Base and additional compensation are also disclosed whenever coverage is marketed. Gallagher currently receives the following compensation from the Rhode Island Turnpike and Bridge Authority's carriers:

- a. BCBSRI: \$20 per subscriber per month, or determined by BCBSRI if standard
- b. DDRI: Standard commission schedule (currently approximately 5% of collected premium)
- c. UHC Vision: 10% of collected premium

As proposed, these fees for the three year term are to be standard by carrier with no additional compensation.

### **2. Any additional fees charged to the client**

There are currently no additional fees charged to the client for the current scope of work. Occasionally, a specific project or service may have an additional fee which would be fully disclosed to the Authority prior to any work commencing.

### **3. Services provided by the firm for the fee earned**

All services described in question 1 of "Technical Proposal Elements" are provided to the Authority for the commissions described in question 1 of this section. Further, Gallagher will provide COBRA services for the Authority through a contracted outside vendor.

For any services that may fall outside the scope of this RFP and our response, Gallagher will provide a separate proposal, with any applicable outside vendor pricing.

## *Administrative Proposal Elements*

### **1. Certification of availability of individuals proposed and ability to complete a healthcare policy procurement process to support a January 1, 2015 commencement**

All account representatives assigned to the Authority hold State of Rhode Island Life and Health Producer's licenses and therefore are qualified and able to procure proposals for medical, dental, life and disability benefits in advance of the Authority's January 1, 2015 renewal and are able to complete the requirements of this RFP. Please refer to **Attachment A** for copies of applicable licenses.

# Rhode Island Turnpike and Bridge Authority

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## 2. References

- Lisa Rafferty  
Executive Director  
Bridges, Inc.  
7 Clinton Ave.  
Jamestown, RI 02835  
(401) 423-1153 ext 114
- Jasen Crozier  
Chief Financial Officer  
Village Retirement Community  
715 Putnam Pike  
Greenville, RI 02828  
(401) 949-1333
- Michael Botelho  
Controller  
Lockheed Window Corporation  
Route 100  
Pascoag, RI 02859  
(401) 568-3061
- David Reiss  
Executive Director  
Ocean State Community Resources  
310 Maple Ave., Suite 102  
Barrington, RI 02806  
(401) 245-7900
- Julie Richard  
Executive Director  
Steere House  
100 Borden St.  
Providence, RI 02903  
(401) 454-7970 ext 540

# Rhode Island Turnpike and Bridge Authority

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3. **Copies of all documentation which demonstrate the firm has the legal ability to perform the services in the State of Rhode Island, described generally herein**

Please refer to **Attachment B** for all documentation which demonstrates Gallagher's legal ability to perform the services in the State of Rhode Island, including Certificate of Good Standing from the Rhode Island Secretary of State, Gallagher's agency license and proof of Errors and Omission insurance.

4. **Certification that a Certificate of Good Standing from the Rhode Island Division of Taxation will be delivered to the Authority upon award**

This confirms that a Certificate of Good Standing from the Rhode Island Division of Taxation will be delivered to the Authority upon award of the bid.

5. **A listing of all current and ongoing contracts between the firm and any other Quasi State Agencies or for the State of Rhode Island**

Currently, Gallagher is engaged with the following entities as a health and welfare consultant:

- Rhode Island Turnpike and Bridge Authority
- Rhode Island Airport Corporation
- Town and School of West Warwick
- Town and School of Lincoln
- Town and School of North Providence
- Town and School of Westerly

Please refer to **Appendix 3** for more information on Gallagher's Public Entity Niche.

6. **A disclosure of all outstanding financial obligations with the State of Rhode Island**

There are no outstanding financial obligations with the State of Rhode Island. Please refer to **Attachment B** for the Certificate of Good Standing from the Rhode Island Secretary of State. Further, a Certificate of Good Standing from the Rhode Island Division of Taxation will be delivered to the Authority upon award of the bid.

TERENCE R. FLEMING  
38 BEDFORD CIRCLE  
NARRAGANSETT, RI 02882



State of Rhode Island And Providence Plantations  
Department of Business Regulation

License Number: 1056779

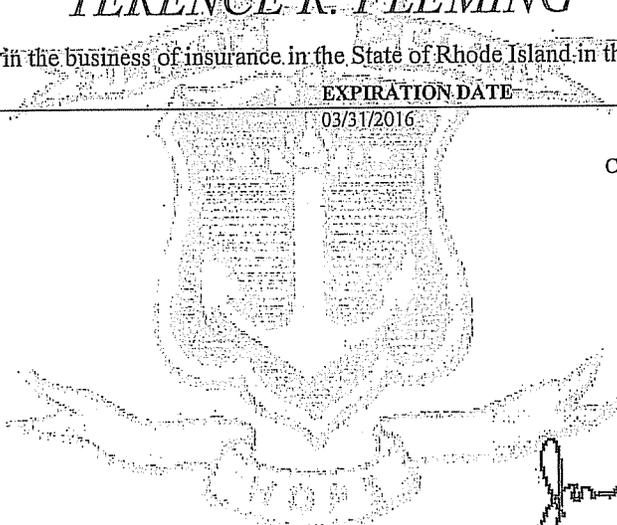
Insurance Division

NPN: 3482045

**TERENCE R. FLEMING**

Is licensed to engage in the business of insurance in the State of Rhode Island in the capacity stated below

LICENSE TYPE	EXPIRATION DATE	LINE OF AUTHORITY CODE
Resident Insurance Producer	03/31/2016	Life Health, Accident or Sickness(Health) Credit products(Life, Health, Property, Casualty)



Joseph Torti, III, Superintendent of Insurance

ANNE C. CAPEZZA  
83 Broad Rock Rd.  
WAKEFIELD, RI 02879



State of Rhode Island And Providence Plantations  
Department of Business Regulation  
Insurance Division

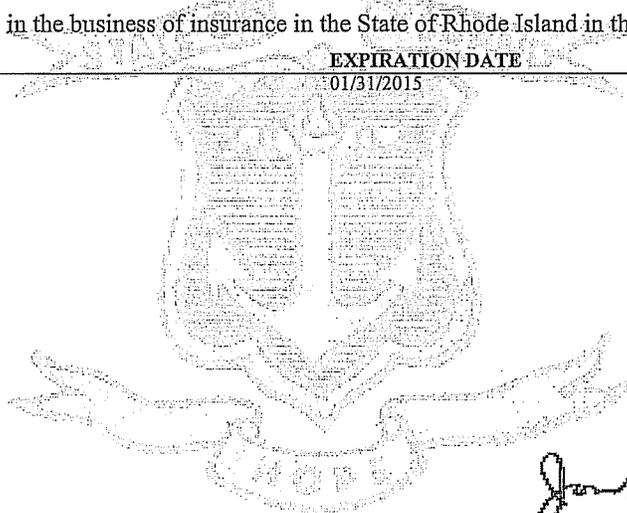
License Number: 2073669

NPN: 13893706

*ANNE C. CAPEZZA*

Is licensed to engage in the business of insurance in the State of Rhode Island in the capacity stated below

LICENSE TYPE	EXPIRATION DATE	LINE OF AUTHORITY CODE
Resident Insurance Producer	01/31/2015	Life Health, Accident or Sickness(Health)



Joseph Torti, III, Superintendent of Insurance



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
Insurance License

NO. 1090463

GALLAGHER BENEFIT SERVICES, INC.  
TWO PIERCE PLACE, 21ST FLOOR  
ITASCA, IL 06143

LICENSE TYPE

Insurance Producer

LINE OF AUTHORITY CODE

L  
H

ISSUE DATE

11/19/2001

11/19/2001

This license shall remain in effect as long as the license renewal fees are paid and continuing education requirements are met in a timely manner pursuant to R.I. Gen. Laws §§ 27-2.4-1 et seq. and 27-3.2-1 et seq.

*Marilyn Shannon McConaghy*  
Marilyn Shannon McConaghy  
Director of Business Regulation

THIS LICENSE IS PERPETUAL AND IS NOT REISSUED UPON RENEWAL.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
08/28/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> 1-312-704-0100 Arthur J. Gallagher Risk Management Services, Inc.  300 South Riverside Plaza Suite 1900 Chicago, IL 60606 Direct all inquires to email	<b>CONTACT NAME:</b> _____ <b>PHONE (A/C No, Ext):</b> _____ <b>E-MAIL ADDRESS:</b> Chi_Certificates@ajg.com	<b>FAX (A/C, No):</b> _____
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> Arthur J. Gallagher & Co. of Massachusetts, Inc.  50 Braintree Hill Park, Suite 440  Braintree, MA 02184	<b>INSURER A:</b> LEXINGTON INS CO	<b>NAIC #</b> 19437
	<b>INSURER B:</b> XL SPECIALTY INS CO	37885
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

### COVERAGES

CERTIFICATE NUMBER: 35397160

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$	
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						EACH OCCURRENCE \$ AGGREGATE \$	
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below <input type="checkbox"/> Y <input type="checkbox"/> N						<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$	
A	Errors & Omissions			013345681	09/01/13	09/01/14	Each Wrongful Act	20,000,000
B	(Claims Made)			ELU13116713			Aggregate	20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

### CERTIFICATE HOLDER

### CANCELLATION

Gallagher Benefit Services  50 Braintree Hill Office Park #310  Braintree, MA 02184  USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  <i>Thomas D. Gallagher</i>
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State of Rhode Island and Providence Plantations

A. Ralph Mollis

Secretary of State

Certification Number: 14040087910

The office of the Secretary of State of the State of Rhode Island and Providence Plantations,  
HEREBY CERTIFIES, that

Gallagher Benefit Services, Inc.

a Delaware corporation, qualified to do business in Rhode Island on

October 07, 2009

Effective

October 07, 2009

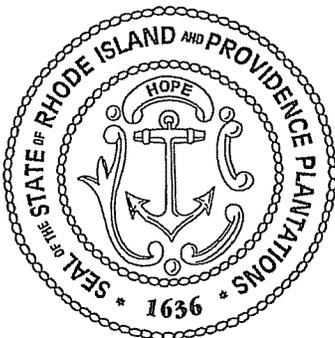
IT IS FURTHER CERTIFIED that as of this date said foreign corporation is authorized to  
transact business in this state and is in good standing according to the records of this office

SIGNED AND SEALED ON

Wednesday, April 30, 2014

Secretary of State

Authorized Agent



Contract #14-3

FEE PROPOSAL

TO: The Rhode Island Turnpike and Bridge Authority  
c/o The Executive Director  
PO Box 437  
Jamestown, RI 02835

*pd by  
Rivers  
to Gallagher*

Gentlemen:

We the undersigned propose to furnish to the Rhode Island Turnpike and Bridge Authority, "HEALTH BENEFITS BROKER", per attached specifications dated May 15, 2014 for the prices stated below.

**Proposed Fee as follows:**

BCBSRI: Twenty Dollars per contract per month  
Delta Dental of RI: Five Percent of collected premium  
Price in words: UHC Vision: Ten percent of collected premium

Price in Figures: BCBSRI: \$ 20 per contract per month  
Delta Dental of RI: 5% of collected premium  
UHC Vision: 10% of collected premium

By: *[Signature]*  
authorized signature

Arthur J. Gallagher Co.  
company name

Terence Fleming Area VP  
Print name and title

475 Kellogg St.  
address

(401) 773-9405      5/13/14  
telephone                      date

Warwick      RI      02886  
city                      state      zip code

The IRS Form W-9 attached must be completed and submitted with the proposal if the bidder falls under IRS requirements to file this form.

Please submit proposals in triplicate and attach this Proposal Fee form to your full proposal.

## Request for Taxpayer Identification Number and Certification

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

Print or type  
 See Specific Instructions on page 2.

Name <b>Gallagher Benefit Services, Inc.</b>	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	
<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.) <b>50 Braintree Hill Office Park, Suite 310</b>	Requester's name and address (optional)
City, state, and ZIP code <b>Braintree, MA 02184</b>	
List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

Social security number								

or

Employer identification number								
3	6	4	2	9	1	9	7	1

**Note:** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶ <b>3/1/2013</b>
------------------	----------------------------	------------------------

### Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note:** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

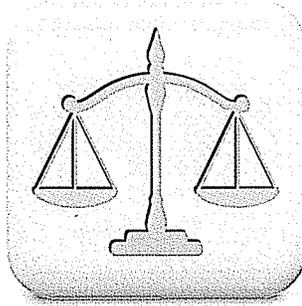
**Foreign person.** If you are a foreign person, use the appropriate Form W-8 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

### Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.



**COMPLIANCE / HEALTHCARE REFORM**

# Upgrade Your Experience

**A proactive and reliable resource providing you with  
compliance tools and day-to-day support.**

Are you concerned your organization may be at risk now that it's so challenging to stay current with the ever-changing laws and regulations pertaining to employee benefits? Feeling overwhelmed?

There is a simple solution. Gallagher Benefit Services will be there with you every step of the way: monitoring and notifying you of pending and new legislation, analyzing proposed regulations, and tracking rulings that affect your plans. Based on your needs, we will deploy a local + national resource structure to ensure you are able to proactively address the growing legal, regulatory, and compliance issues facing your organization.

We are so committed to supporting you that we've added compliance and technical staff across the country and created a multi-disciplinary Healthcare Reform Taskforce dedicated to monitoring and issuing guidance on all aspects of Healthcare Reform.



**Gallagher Benefit Services, Inc.**

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



# Upgrade Your Experience

**Achieve the business and personal results that matter to you and your organization.**

Gallagher Benefit Services helps organizations manage their domestic and international benefits, HR, compensation, and retirement challenges, and address questions like these:

**What's our next move following the Supreme Court decision?**

**How can we ensure that our HR policies are compliant with all federal, state, and country-specific regulations?**

**Are insurance exchanges here to stay? If they are, how will they affect our organization?**

**How do I know if our employees are saving enough for retirement and what can we do about it?**

**How do we design and build a Total Rewards program that will align with our corporate objectives and organizational strategy?**



**Gallagher Benefit Services, Inc.**

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

# Gallagher Benefit Insurance Services Core Services

<b>Strategic Planning</b>
▪ Understand client industry, business metrics and human capital needs
▪ Connect strategic business goals to employee benefit plans that meet these objectives
▪ Facilitate the development of a corporate benefit philosophy as it relates to the benefit programs
▪ Link employee benefit design to the organization's strategy, industry, and demographics
▪ Benchmark benefits with competitors and industry norms
▪ Conduct senior management interviews to identify objectives
▪ Lead employee focus groups and report findings
▪ Design, arrange and analyze employee surveys and report back
▪ Conduct annual planning meetings to ensure objectives are met
<b>Plan Design Analysis</b>
▪ Review benefit program to determine its administrative ease
▪ Evaluate plan limitations to reduce financial and legal exposure
▪ Customize plan provisions to reflect the employer's individual goals and philosophy
▪ Design flexible compensation and defined contribution approaches
▪ Evaluate plan provisions to ensure ease of communication and administration
▪ Review plan design annually to ensure plan meets objectives
<b>Financial Management and Renewal Analysis</b>
▪ Provide financial forecast modeling
▪ Assist in developing budget plans and track cost to budgets
▪ Analyze claims administrator's financial and claim reports
▪ Review, analyze and negotiate renewals from carriers and other vendors
▪ Develop rates (including COBRA), reserves, and cost projections for self-funded programs
▪ Evaluate carriers' effectiveness in managing claims costs
▪ Identify trends in cost and funding and make recommendations
▪ Evaluate managed care programs (pricing, discounts, network penetration)
▪ Conduct annual review of retrospective and prospective costs
▪ Evaluate and benchmark employee and employer contribution strategies
▪ Analyze utilization patterns, compare to standards to determine opportunities for improvement
<b>Vendor Performance Management</b>
▪ Monitor carrier service and establish performance guarantees with vendors
▪ Coordinate meetings to review carrier performance and issues

- Review network utilization to optimize plan efficiencies (cost savings)
- Develop Geoaccess standards and compare network accessibility
- Provide financial comparison and evaluation of managed care network discounts
- Assist clients in identifying repricing methodology and claims process
- Review actual, historical, and projected cost savings assumptions
- Assist clients in negotiating directly with health care providers
- Review disease management programs' criteria and performance
- Keep abreast of vendor service offerings
- Monitor vendor financial stability

**Support of Administration and Finance**

**Day to Day**

- Offer a dedicated team of professionals
- Provide resolution support for individual claim problems
- Advise on internal procedures and processes
- Listen to HR concerns and needs
- Maintain a consistent dialogue with HR on benefit related issues
- Assist with claim problems, billing questions, policy interpretation, etc.
- Confirm plan design and coverage questions with HR and vendor
- Provide technical support to employer on claim adjudication issues
- Distribute periodic technical bulletins addressing new regulatory initiatives
- Serve as the first line of defense for HR department's questions
- Keep client informed on industry trends, carrier announcements and business/economic conditions

**Periodic**

- Provide support for mergers, acquisitions, and other business changes
- Monitor program performance and costs
- Meet to discuss marketplace trends and possible future actions
- Train client HR and Finance staff on benefits
- Provide project management support

**Annual**

- Develop annual service plans and manage timeline of events
- Report to senior management on employee benefit trends, costs, and opportunities

**Benchmarking Services**

- Compare plan costs to local and national norms
- Study benefit coverage compared to regional and industry averages

<ul style="list-style-type: none"> <li>▪ Evaluate benefit programs for recruitment and employee retention</li> </ul>
<b>Plan Marketing/Vendor Procurement</b>
<ul style="list-style-type: none"> <li>▪ Identify client financial objectives, service problems and goals, and risk tolerance</li> <li>▪ Prepare bid specifications to ensure uniform responses and identification of costs</li> <li>▪ Explore funding alternatives and make recommendations</li> <li>▪ Evaluate vendor responses to assure that variations in coverage and costs are identified</li> <li>▪ Develop performance standards and guarantees to ensure deliverables are timely and accurate</li> <li>▪ Support senior management decision making process</li> <li>▪ Utilize superior market knowledge to negotiate rates and rate guarantees</li> <li>▪ Conduct finalist interviews to assure commitment and understanding of the proposal</li> <li>▪ Assist in vendor implementation</li> </ul>
<b>Employee Communications</b>
<ul style="list-style-type: none"> <li>▪ Conduct an annual communication planning meeting to discuss enrollment and develop a consistent, cohesive communication strategy</li> <li>▪ Review all employee communications and provide recommendations for improvement</li> <li>▪ Coordinate WEB communication efforts</li> <li>▪ Contribute content for in-house newsletters</li> <li>▪ Facilitate employee education and conduct employee meetings</li> <li>▪ Provide on-site problem solving sessions with employees</li> <li>▪ Provide communication support on new benefit plans/programs</li> <li>▪ Create employee enrollment forms</li> <li>▪ Prepare employee benefit newsletter</li> <li>▪ Edit and revise, as necessary, carrier summary plan descriptions</li> <li>▪ Provide open enrollment support</li> <li>▪ Negotiate the delivery of value added communications materials from vendors</li> <li>▪ Organize and participate in Benefit Fairs</li> <li>▪ Assist in the development of Benefit Statements</li> <li>▪ Assist in the creation of Flexible Benefit enrollment packages</li> <li>▪ Coordinate communication materials to assure delivery, quality and consistency with employer's brand from vendor</li> </ul>
<b>Compliance Support</b>
<ul style="list-style-type: none"> <li>▪ Review administrative procedures, i.e., COBRA, FMLA, HIPAA, ADA, etc.</li> <li>▪ Reduce claim disputes by reviewing the plan documents for consistency and clarity</li> <li>▪ Review insurance contracts for accuracy with negotiations</li> <li>▪ Provide discrimination testing (Section 105H, 125, 129 ...)</li> </ul>

<ul style="list-style-type: none"> <li>▪ Confirm plan design compliance with state and federal regulations</li> </ul>
<ul style="list-style-type: none"> <li>▪ Review and draft benefit plan documents</li> </ul>
<ul style="list-style-type: none"> <li>▪ Conduct review of summary plan descriptions, contracts, employee summaries, and policies/procedures to outline variances and inconsistencies</li> </ul>
<ul style="list-style-type: none"> <li>▪ Provide access to technical consultants for advice and direction on legislative issues</li> </ul>
<ul style="list-style-type: none"> <li>▪ Offer periodic seminars and bulletins on regulatory issues</li> </ul>
<p><b>Benefit Administration</b></p>
<ul style="list-style-type: none"> <li>▪ Assess benefit technology and keep client abreast of trends</li> </ul>
<ul style="list-style-type: none"> <li>▪ Advise clients on administrative approaches and options</li> </ul>
<ul style="list-style-type: none"> <li>▪ Inventory current benefit administrative practices and compare to best practices</li> </ul>
<ul style="list-style-type: none"> <li>▪ Build understanding for all parties affected by potential changes or solutions</li> </ul>
<ul style="list-style-type: none"> <li>▪ Conduct administrative vendor evaluations</li> </ul>
<ul style="list-style-type: none"> <li>▪ Support implementation of administrative solutions</li> </ul>
<ul style="list-style-type: none"> <li>▪ Find the right eligibility and premium management system</li> </ul>
<ul style="list-style-type: none"> <li>▪ Create efficient solutions for open enrollment and ongoing administration (life event, new hire, terms)</li> </ul>
<ul style="list-style-type: none"> <li>▪ Improve administrative interfaces with vendors</li> </ul>
<ul style="list-style-type: none"> <li>▪ Develop employee self service including enhancing web usage</li> </ul>
<ul style="list-style-type: none"> <li>▪ Evaluate outsourcing opportunities and identify potential solutions (COBRA, Web communications, enrollment, call center)</li> </ul>





# The Gallagher Way

Shared values at Arthur J. Gallagher & Co. are the rock foundation of the Company and our Culture. What is a Shared Value? These are concepts that the vast majority of the movers and shakers in the Company passionately adhere to. What are some of Arthur J. Gallagher & Co.'s Shared Values?

1. We are a Sales and Marketing Company dedicated to providing excellence in Risk Management Services to our clients.
2. We support one another. We believe in one another. We acknowledge and respect the ability of one another.
3. We push for professional excellence.
4. We can all improve and learn from one another.
5. There are no second-class citizens—everyone is important and everyone's job is important.
6. We're an open society.
7. Empathy for the other person is not a weakness.
8. Suspicion breeds more suspicion. To trust and be trusted is vital.
9. Leaders need followers. How leaders treat followers has a direct impact on the effectiveness of the leader.
10. Interpersonal business relationships should be built.
11. We all need one another. We are all cogs in a wheel.
12. No department or person is an island.
13. Professional courtesy is expected.
14. Never ask someone to do something you wouldn't do yourself.
15. I consider myself support for our Sales and Marketing. We can't make things happen without each other. We are a team.
16. Loyalty and respect are earned—not dictated.
17. Fear is a turnoff.
18. People skills are very important at Arthur J. Gallagher & Co.
19. We're a very competitive and aggressive Company.
20. We run to problems—not away from them.
21. We adhere to the highest standards of moral and ethical behavior.
22. People work harder and are more effective when they're turned on—not turned off.
23. We are a warm, close Company. This is a strength—not a weakness.
24. We must continue building a professional Company—together—as a team.
25. Shared values can be altered with circumstances—but carefully and with tact and consideration for one another's needs.

When accepted Shared Values are changed or challenged, the emotional impact and negative feelings can damage the Company.



Gallagher Benefit Services, Inc.  
thinking ahead

## Public Entity & Scholastic Group



Integrity is central  
to your organization and ours.



We know that many of the challenges faced by public employers and school districts are unlike those of the private sector.

From experience, we also know that in the arena of employee benefit programs, there are no off-the-shelf solutions. In order to help, we first listen, understanding that:

- Your organization is exempt from certain laws and governed by others that may allow for flexibility and cost efficiency.
- The design and financing of your employee benefit programs are driven in part by tax revenue streams and other sources that are subject to change.
- In many cases, your decisions are affected by collective bargaining agreements and intense public scrutiny.

Public entities and scholastic institutions around the country recognize Gallagher Benefit Services (GBS) as a foremost advisor and one of the best-known names in employee benefits consulting. We will be sensitive to your particular circumstances and committed to meeting your timetable on all deliverables.