

Health Insurance Advisory Services Agreement

This Advisory Agreement, hereinafter referred to as “Agreement” is between **the Town of Middlebury** , hereinafter referred to as “Client” and Hickok & Boardman HR Intelligence and Vermont League of Cities and Towns, hereinafter referred to as “Advisors.”

WHEREAS, Client wishes to obtain the assistance of Advisors with strategic benefit planning, design, funding, administration, enrollment, reporting , employee education and communication with respect to its employee benefit programs;

WHEREAS, Advisors has superior knowledge and expertise in assisting employers with designing, administering and servicing employee benefit plans; and

WHEREAS, the parties wish to set forth their respective expectations;

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereby agree as follows:

1. Scope of Services to be Provided by Advisors

Advisors will provide Client with managerial Advisory and brokerage services related to any or all decisions regarding the Client’s employee benefits listed below:

- Medical
 - Prescription Drugs
 - Health Savings Accounts (HSA)
 - Health Reimbursement Arrangements (HRA)
 - Flexible Spending Accounts (FSA)
- A. **Strategic Benefit Planning.** Advisors will provide assistance in developing overall plan benchmarks and targets to ensure that the plan meets the objectives of Client and its employees.
- B. **Administration.** Advisors will identify core administrative services, assess vendor performance, and manage vendor relationships to provide appropriate program administration.
- C. **Renewal.** Advisors shall meet with Client annually to review the preceding year, discuss goals and objectives for the upcoming year. Advisors will provide pre-enrollment, enrollment and post enrollment assistance. This includes but is not limited to:
- **Pre-enrollment assistance:** review employer demographics, discuss benefit plan options, cost and cost sharing options, competitive trends and employer strategy for benefit choices and costs
 - **Enrollment:** determine open enrollment calendar and communications, hold employee meetings to explain benefit options, assist employees with enrollment
 - **Day-to-Day Administrative Issues:** provide assistance in the daily administration of programs, including resolution of vendor service issues, resolving ongoing billing issues,

enrollment changes (new hires, terminations, etc.), assist in resolving claims issues and addressing questions and concerns raised by Client's employees and management.

- D. **Funding.** Advisors will advise and counsel regarding program funding options, recommend budget rates, employee contribution rates, and COBRA rates, if applicable.
 - E. **Enrollment.** Advisors will assist in the enrollment process with carrier systems to ensure efficient and accurate benefit plan enrollment and communication.
 - F. **Employee Education.** Advisors will provide employee education in allowing improved knowledge and selection assistance to employees
 - G. **Communication.** Advisors will assist in drafting employee communications regarding benefit program performance and changes, and assist in the review of plan documents and insurance certificates during the planning and enrollment process.
 - H. **Meeting Attendance.** Advisors will attend on-site meetings with governing boards, management and employees.
 - I. **Compliance Tools & Legislative Information.** Advisors will provide timely informational materials on legislative developments affecting employee benefit plans on topics such as PPACA, FMLA, COBRA, HIPAA, HIPAA Privacy, and Section 125.
2. **Additional Services:**
- A. **Health Advocate**
 - B. **VLCT Human Resources Support**
 - C. **ACA Compliance Support, including Excise Tax Planning and Analysis**
3. **Disclosure and Recordkeeping**
- A. **Full Disclosure.** Client has the right to approve any arrangements and/or the utilization of any intermediaries in connection with, or arising out of, or in any way related to Client's insurance and risk management program. Advisors must seek approval from Client prior to the use of any of the above in connection with the Client's insurance and risk management program.
 - B. **Recordkeeping.** Advisors will maintain accurate and current files including, but not limited to, insurance policies and correspondence with insurers or brokers in accordance with industry standard record retention practice or as otherwise directed by Client.
4. **Term & Termination**
- A. **Term.** This initial term of this Agreement shall be one year, commencing on January 1, 2016 and ending December 31, 2016 ("Initial Term"). Thereafter, this Agreement will remain in effect until terminated as described below.
 - B. **Termination.** This Agreement may be terminated by either party only as follows:
 - Effective upon thirty (30) days advance written notice to the other party stating that such other party is in breach of any of the provisions of this Agreement, provided such breach (if able to be cured) is not cured within fifteen (15) days after the notice is received;
 - effective upon six (60) days advance written notice to the other party given with or without reason; provided such notice is given after the Initial Term; or

- By mutual written agreement of the parties.

5. Cost of Services

Advisors professional fees are based upon time expended by specific individuals. The fees do not include out-of-pocket expenses related to travel outside of the state. Client agrees to pay Advisors professional fees as outlined in Exhibit 1.

Additional programs and services will be provided on a project basis for an additional fee to be disclosed in writing and shall be undertaken upon mutual agreement between Advisors and Client. Such programs and services may include, but not be limited to, retiree medical plans, special employee surveys, and long-term care insurance.

6. Personnel

Advisors will assign its personnel according to the needs of Client and according to the disciplines required to complete the appointed task in a professional manner. Advisors retains the right to substitute personnel with reasonable cause. The Account Management Team consists of the following individuals:

Primary Service Team:

Larry Smith, *Vermont League of Cities and Towns*, Manager, Member Relations

Kelley Avery, *Vermont League of Cities and Towns*, Unemployment Insurance Underwriter & Health Benefit Programs Administrator

Sally McKenzie, *Hickok & Boardman HR Intelligence*, Account Lead and Senior Client Manager

7. Client's Responsibilities

Client will make available such reasonable information as required for Advisors to conduct its services. Such data will be made available as promptly as possible. It is understood by Advisors that the time of Client's personnel is limited, and judicious use of that time is a requirement of this Agreement. Client will make timely payments of the service fees as set forth elsewhere in this Agreement.

8. Independent Contractor

It is understood and agreed that Advisors is engaged by Client to perform services under this Agreement as an independent contractor. Advisors shall use its best efforts to follow written, oral, or electronically transmitted (i.e., sent via facsimile or e-mail) instructions from Client as to policy and procedure.

9. Fiduciary Responsibility

Client acknowledges that: (i) Advisors shall have no discretionary authority or discretionary control respecting the management of any of the employee benefit plans; (ii) Advisors shall exercise no authority or control with respect to management or disposition of the assets of Client's employee benefit plans; and (iii) Advisors shall perform services pursuant to this Agreement in a non-fiduciary capacity. Client agrees to notify Advisors as soon as possible of any proposed amendments to the plans' legal documents to the extent that the amendments would affect Advisors in the performance of its obligations under this Agreement. Client agrees to submit (or cause its agent,

Advisors, or vendors to submit) all information in its (or their) control reasonably necessary for Advisors to perform the services covered by this Agreement.

10. Entire Agreement

This constitutes the entire Agreement between the parties, and any other warranties or agreements are hereby superseded.

Subsequent amendments to this Agreement shall only be in writing signed by both parties.

Middlebury Town

Organization Name

Kathleen Ramsay

Contact Name

Signature

Date

Town Manager

Title

Hickok & Boardman HR Intelligence

Signature

Date

Title

Vermont League of Cities and Towns

Signature

Date

Title

Exhibit I Fees

DESCRIPTION & TERMS	FEE
<p>Base Fee</p> <p>Full Advisory Services</p> <p>See Scope of Services to be provided by Advisors on Page 1 of the Agreement</p>	<p>\$500 Per Year</p> <p>\$15 Per Employee Per Month (PEPM)</p> <p>Quarterly invoicing with payment due on the 15th day of January, April, July and October; Billing based on January, April, July and October enrollment numbers January invoice will include the Base Fee.</p>
<p><i>Note: The above fees do not include actuary services to the extent Client utilizes them. In addition, the above fees do not contemplate any special projects that would be billed incrementally to the annual retainer fee (i.e. implementation of employee cafeteria plans).</i></p>	

ADDITIONAL SERVICES	
<p>A. Health Advocate</p> <p>B. VLCT Human Resources Support</p> <p>C. ACA Compliance Support, including Excise Tax Analysis</p> <p>Other services not included in the above, but provided by Hickok & Boardman HR Intelligence and Vermont League of Cities and Towns will include a 10% discount.</p>	<p><i>Included</i></p>