AFFIDAVIT OF WORK AUTHORIZATION

Comes now John Bremerman as Account Executive first being duly
(NAME) (OFFICE HELD)
sworn on my oath, affirm Bokaty Companies is enrolled and will continue to
(COMPANY NAME)
participate in a federal work authorization program in respect to employees that will work
in connection with the contracted services related to Benefit Consultant bid for the duration of
(BID/SFS NUMBER)
the contract, if awarded in accordance with RSMo Chapter 285.530 (2). I also affirm that
Bokaty Company does not and will not knowingly employ a person who is an
(COMPANY NAME)
unauthorized alien in connection with the contracted services related to Benefits Consultant bid
for the duration of the contract, if awarded.
(BID/SFS NUMBER)

In Affirmation thereof, the facts stated above are true and correct (The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo).

Signature (person with authority)	Printed Name: John Bremerman
Title: Account Executive	Date: 8/21/2014

Subscribed and sworn to before me this 21 of August. I am
(DAY) (MONTH, YEAR)
commissioned as a notary public within the County of Johnson, State of
(NAME OF COUNTY)
Kansas, and my commission expires on 1-24-16.
(NAME OF STATE) (DATE)

Signature of Notary	Date: 8/21/14

NOTARY PUBLIC - State of Kansas
CAROL S. JONES
My Appt. Exp. 1-24-16

BUKATY COMPANIES
Expertise you experience

11221 Roe Ave., Ste. 200
Leawood, KS 66211
913.345.0440
Fax 913.345.2608
Toll-Free 888.657.0440
www.bukaty.com

August 21,2014

City of Maryville
Attn: Amy Strough
City Hall
415 N Market

Please accept the following as our formal response to The City of Maryville's request for proposal for benefit consultant services.

Per the proposal requirements we have provided our response in writing. We believe the information provided is reflective of our qualifications, market experience and client services. As your consultant we intend to demonstrate our commitment and determination to exceed your expectations.

Bukaty Companies is a locally owned, managed and focused Agency employing about 130 employees, the majority of whom work exclusively with Employee Benefits. We have invested in experienced, dedicated associates and state-of-the art technology that allows us to offer the sophistication and expertise of a national firm with the personal touch and attitude of a local firm.

As long time members of the Mo/Kan community, we would be profoundly honored to work with an important member of our extended community such as the City of Maryville.

If I can provide additional information about Bukaty Companies, please don't hesitate to contact me at 913-345-0440 or e-mail plooney@bukaty.com.

Thank you for this opportunity. Bukaty Companies looks forward to earning your business.

Sincerely,

John Bremerman
Bukaty Companies

Health & Welfare Insurance Broker Providing Benefit Consultant Service

August 21, 2014

INSURER/PROVIDER RELATIONS

Q1. *Provide firm history and areas of expertise, particularly the employee benefits and consulting staff that will be directly serving the City of Maryville. Include how long the benefits consultant assigned to this account has been licensed.*

Bukaty Companies is a full-service employee benefits and risk management brokerage and consulting company, **locally owned and operated in Leawood, Kansas, since 1992**. We serve more than 2,700 total clients and represent more than 40 insurance carriers and third-party administrators (TPAs).

The company's growth has been fueled by our continual investment in client services. Specifically, we have added in-house COBRA Felexible Spending Account, Health Reimbursement Account (Including Wellness HRA's) and health savings account administration, financial and retirement planning services, human resource advising, payroll services, and property and casualty expertise.

Bukaty Companies operations are overseen by Mike Bukaty, chairman and founder. All Bukaty Companies professionals supporting The City would be based out of our local headquarters, located at 11221 Roe Avenue in Leawood, Kansas. In total, the company employs 130 professionals, most of whom are licensed and/or certified in their respective professional field.

Below is a summary of products and services Bukaty Companies has available. Subsequent sections will provide greater detail on the nature and scope of our services:

- Group medical, life, dental, vision
- Disability – LTD, STD
- FSA administration
- COBRA administration
- Payroll processing services
- Human resource consulting
- Compliance assistance
- Wellness services
- Online enrollment
- Retirement plan services
- Individual wealth management
- Property & casualty/surety
- Workers' compensation
- Personal lines

We work with all local and regional carriers. Actual carrier selection is based on client needs, costs, networks and discounts.

INSURER/PROVIDER RELATIONS

We are proud to have earned numerous professional designations from the leading insurance carriers. These awards allow us to provide concierge-level service and competitive rates to our clients that many brokers cannot access. Designations include:

▪ Blue Cross Blue Shield of Kansas City "Blue Chip Broker" (2014 conference award) ▪ HUMANA Healthcare "Platinum Producer" ▪ Coventry Healthcare "Platinum Producer" ▪ Humana "Leader's Club" (2014 conference award)	▪ United Healthcare "Platinum Producer" ▪ Assurant "MVP" ▪ Sun Life "Best of the Best" ▪ Prudential "Platinum Producer" ▪ Hartford "Top Producer" ▪ Delta Dental "Platinum Producer"

The benefits of our relationships include:

- Rate relief on a normal basis during underwriting and renewals
- Special concessions
- Expedited turnaround time during underwriting
- Local underwriting days
- First look at new carrier products and services

In 2012-1213 the *Kansas City Business Journal* ranked Bukaty Companies #6 in metro-area life/health/benefits premium volume and our satisfaction rates remain in the high 90's.

Our approach with carriers is collaborative, knowing that we share a common goal – client satisfaction. Carriers respect that despite incentives or the quality of a carrier relationship, Bukaty Companies will always act in the complete best interest of a client.

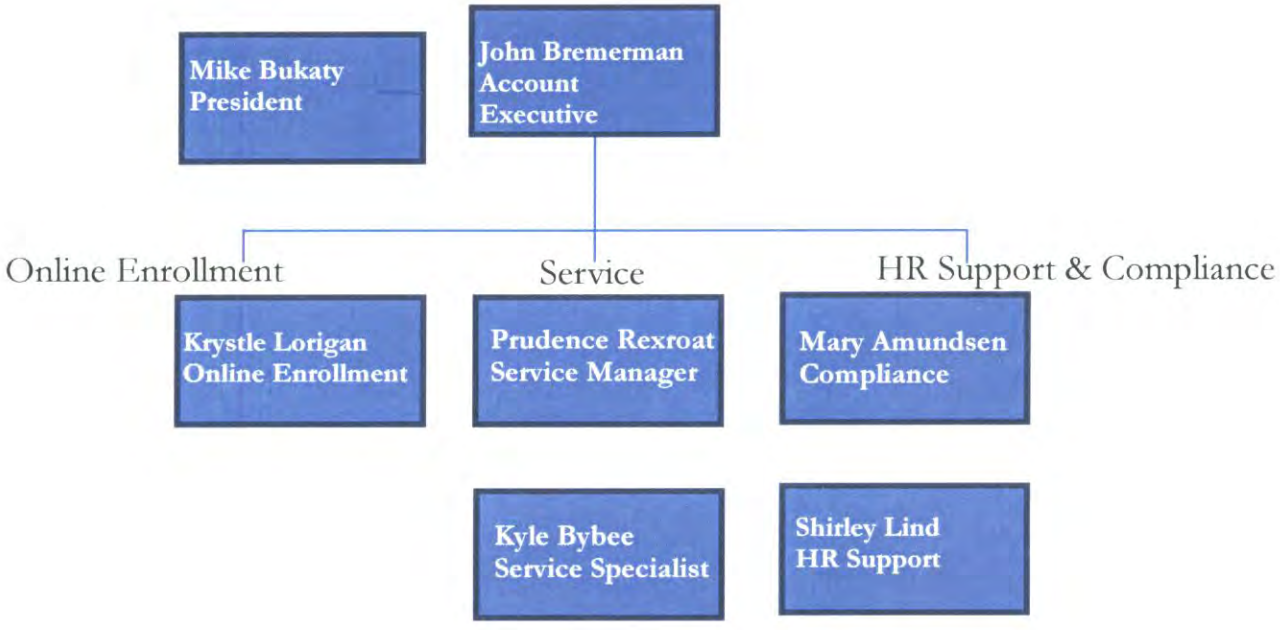
While renewal negotiations can be contentious at times, carriers know our rate, benefit and service requirements. When all carriers are given an equal opportunity to compete, our clients receive a robust array of options.

Throughout the year carrier representatives schedule appointments to attend our Monday sales meetings to discuss new products, pricing and other relevant industry data. Generally we are among the first brokers in the area to be contacted with carrier updates.

Additionally, Mike Bukaty sits on several carrier advisory boards and is one of the principal leaders in our industry.

John Bremerman will be the lead consultants for the City. His role is to manage all aspects of the account, offer new product suggestions, introduce new cost-saving strategies for consideration, and maintain carrier/TPA relationship during both contract negotiations and renewals. The City will also be assigned a dedicated account team who will assist with the day-to-day administrative and service issues.

The City of Maryville Team



Your dedicated service team will act as the principal advocate and liaison between the carrier and your staff and the carrier and your employees. We will coordinate reports from the carrier, summarize them and recommend appropriate actions. We will also ask all employees to direct their carrier issues to Bukaty. Our clout in the local and national industry gives us an unprecedented capability to resolve claims and other issues for your employees and for your staff.

Your Bukaty Companies service team:

John Bremerman, MBA – Account Executive
John has more than 20 years of experience in the large-case, self-insured and mid-market arena, working with some of the area's largest employers. The sophisticated needs of such groups has provided the foundation of his approach to groups of all sizes.

John is responsible for spearheading the company's reporting and analytics services. He uses traditional carrier claims data as well as a proprietary sorting of downloaded raw claims data to identify utilization patterns that are the source of high-cost claims and poor consumer understanding. This data is then used to implement plan design changes, employee

communication strategies and funding alternatives designed to lower overall plan costs. His analytical ability is highly regarded by clients and professional peers.

Earlier in his career, John served as director of sales for HealthNet, which has since merged with Coventry Health Care. He is a licensed health and life agent and holds a bachelor's degree from Baylor University, Waco, Texas. He also received his MBA from Baylor with an emphasis in law and finance.

Prudence Rexroat, Client Service Specialist
Prudence has more than 18 years of insurance industry experience. She is responsible for assisting clients with the day-to-day administrative and service issues concerning group health insurance (i.e., claims, billing, ID card requests, enrollment issues and employee terminations). She earned a Bachelor's of Science degree in Public Health from Indiana University, and has held various positions on both the carrier and broker side of the insurance business.

She earned a Bachelor's of Science degree in Public Health from Indiana University, and has held various positions on both the carrier and broker side of the insurance business.

Kyle Bybee, New Business/Renewal Specialist
Kyle brings more than five years of customer service experience to Bukaty Companies. As a new business/renewal specialist, Kyle is primarily responsible for obtaining group carrier quotes, preparing spreadsheets, and assisting groups through the open enrollment and underwriting processes. Kyle believes that customer satisfaction is priority and his strong attention to detail allows him to excel at this position. Kyle received a Bachelor of Arts in Communication with a minor in Business Administration from Truman State University.

Krystle Lorigan, Account Manager
Krystle joined Bukaty Companies as a Client Service Manager with several years of previous insurance experience. She is responsible for assisting clients with the day-to-day administrative and service issues including claims, billing, ID card requests, enrollment issues and employee terminations. Krystle's can-do attitude has made her a welcome addition to the Bukaty team.

Krystle graduated from Central College with a bachelor's degree in public relations. She is also a licensed agent for life and health in Kansas & Missouri

Shirley Lind, SPHR, CEBS – Senior Vice President, Human Resource Consulting
Shirley joined Bukaty Companies in September 2007 and has more than 25 years of human resources and employee relations experience. She possesses a high level of competence in the areas of employee relations, training and development, personnel management, and benefit design and construction. She works with clients as needed to provide compliance and human resource support. She can be used on a per-project basis or contacted when need arises for her professional insight on common human resource issues. She earned a bachelor's degree in human resources from the University of Kansas and received her Senior Professional in Human Resources (SPHR) designation in 1999. Shirley has achieved, through independent studies through the Wharton School of Business,

the Certified Employee Benefits Specialist (CEBS) designation, demonstrating her knowledge of benefits and other strategic aspects of Human Resources.

Mary Amundsen, PHR, PPPACA – Managing Director
Mary joined Bukaty Companies in 2003 to help build the company's communications, human resource consulting and wellness programs. Mary's focus is to provide clients with news and analysis of carrier changes, industry trends, regulatory changes, and benefit developments. As Bukaty Companies' compliance officer, she is responsible for keeping current on the ever-changing health care reform legislation. Mary routinely conducts seminars for prospects and clients on compliance and other business management topics.

Previously she enjoyed a 12-year career with Kansas City-based Aquila, Inc., where as vice president she was responsible for the organization's national employee, media, and community communications. Mary holds a bachelor's in journalism from the University of Kansas and a master's in marketing. She has also earned her Professional in Human Resources (PHR) designation from the HR Certification Institute and has been certified by the National Health Underwriters Association as an industry health care reform expert. Mary is also a licensed health and life agent.

Jennifer Day – Online Enrollment Manager
Jennifer has worked in the insurance and employee benefits industry for four years. She works directly with clients to implement their online enrollment solution. She has developed a streamlined process that allows for efficient and hassle-free implementation. Prior to Bukaty Companies, she worked with large nationally recognized companies with multi-state locations and was responsible for account management and benefits enrollment.
She earned a bachelor's degree from Emporia State University and a master's in business administration from Baker University. She is a licensed health and life agent.

Please see Attachment 1 for additional company details.

Q2. Please provide references including direct contact information for three similar clients.

- **City of Rockport 20 employees**
- **Contact: Ashtin Paris or Terri McGuire**
- **660-744-2636**
-
- **City of Kirksville 150 employees**
- **Contact: Pat Meredith**
- **660-627-1458**
-
- **City of Lexington 30 employees**
- **Contact: Carla Ghisalbrti**
- **660-259-4633**

Q3. Provide a detailed list of "value added" services your organization provides to its clients such as Wellness Programs, facilitation of employee meetings, benefits guides and newsletters. Please specify if any additional fees are associated.

Largely unique to Bukaty, we distinguish ourselves by offering a number of **in-house services: payroll, on-line enrollment, FSA, HSA, COBRA and HR Consulting**. Even if you continue to utilize an outside vendor for such services, our intimate experience in these areas allows us to provide effective oversight and creative solutions.

Our **staff to consultant ratio is 3 to 1,** allowing more direct personal involvement on the part of the consultant and thorough management of all employee and employer needs. We **encourage all employees to contact us directly** with any issue they have with the Health Plan. This insulates you from liability, frees you time and allows your employees' access to the carrier's concierge services available to our team. We offer all of the technical tools, (such as our Decision Master Warehouse claim sort and analysis tool) expertise and sophistication of any large national firm, with the service intensity of a community based firm.

We provide analysis-based recommendations and innovative, sophisticated solutions. Please see **Attachment 2** for an example of a five-year strategic plan. We offer **Human Resources** assistance, research and consultation from a **30-year expert**. We regularly evaluate our service model through surveys and we are consistently told that we are exceptionally responsive and proactive. We will provide the city with a number and a variety of value added services throughout the year. Below is a partial list:

- **In-House Flexible Spending Account**

Bukaty Companies FSA Department currently handles FSA (Cafeteria Administration of Unreimbursed Medical and Dependent Day Care expenses) for one of the largest employers in the area, the State of Kansas, as well as a number of other large clients with sophisticated needs, such as Blue Cross of KC, Olathe Hospital, Lathrop & Gage, and The Archdiocese of KC. Our FSA

Our staff is very experienced and knowledgeable on every aspect of flex administration. This, however, is not what distinguishes that department from other FSA companies. The distinction is "internal". FSA companies generally have tens of thousands of clients from whom they collect $2,000-$3000 per year for administration. Whenever there is an issue or the need for an exception, the national FSA Company will generally view the client as "one drop in the bucket" and favor efficiency over flexibility. At Bukaty, the FSA client is also a benefits client. If we fail to satisfy our FSA client, we don't simply lose the FSA, we lose the client. This gives that Department a much greater incentive to be flexible, responsive, and to keep you happy. The process of resolving issues is also faster. We can walk down the hall and speak face-to-face with the administrator. With the national FSA firm, you leave a

message and hope for a return call. Please see **Attachment 3** for more information on our FSA Department. **Bukaty will provide full FSA services for Unreimbursed Medical and Dependent Day Care expenses at no charge to the City.**

In-House COBRA

We have recently seen how quickly the COBRA laws can change. As the administrator of your COBRA, it is our responsibility to understand and implement those changes – removing a big burden from you. It is also our responsibility to explain COBRA to your recently terminated employees. Clients that outsource to a large national COBRA vendor find it is very difficult to receive acceptable individual service because inflexible consistency is their mission. Even if you have a complete understanding of the new requirements, your recently terminated employees probably do not. The value of in-house COBRA comes from our capability and willingness to deal with the COBRA eligible individual directly, so that you don't have to. As the nature of these regulatory changes become more apparent to the general public, you can expect the number of such calls to increase. **Bukaty will provide this service at no additional cost.**

In-House Human Recourses Consulting

We have probably seen more changes over the last few years in the regulatory and compliance requirements of Benefit Plans than were seen in the previous 200. Going forward, there will be other changes and modifications of previous changes, with corresponding rules, paperwork, and questions. we have already seen new employer reporting requirements and we can expect additional ones. Bukaty Companies can not only keep you in compliance with current laws (HIPAA,FMLA, I-9's, etc..), we can keep you updated and compliant with all of the new laws that are sure to come. Again, because we are not outsourcing this to an HR Consulting company, we can be more responsive and personal. Please see **Attachment 4** for information on our HR Consulting Department. **Bukaty will provide this service at no additional cost.**

Design and provide employee benefit enrollment materials

Bukaty Companies staffs a full-service professional marketing team whose graphic design experience and talents will be made available to produce custom enrollment materials for The City's annual enrollment. This makes the enrollment process much easier since the employee can complete one form that includes all lines of coverage. Since it is custom designed, we make certain that it is easy to understand and complete. We can also provide new hire information to ensure employees understand their benefit options. At the request of The City, we will meet with new employees once a month (or more often if necessary) to address any issues or answer any questions they might have. Direct contact with employees is the best way to provide essential information and to minimize issues before they morph into problems. Please see **Attachment 5** for samples of our enrollment materials. **Bukaty will provide these materials at no additional cost.**

☐ Create a Benefits Website for the City

Our in-house graphic design department can create a Benefits Website to ensure employees understand the rich benefits available through The City. This is especially valuable for spouses that may not get all of their questions answered by the employee when they inform their spouse that "benefits have changed". Tabs can include enrollment forms, wellness and pertinent contact information. They can also include non-benefit topics that you would like to communicate. The ability to notify, educate, and influence behavior is key to any long term strategy for lower cost and satisfied employees. This website is a great step in that direction. It also saves your staff time since any form or communication piece can be made available on the site. This is one of the most popular value added offerings we have seen – both with employees and employers. An example Web site is illustrated below. **Bukaty will provide this service at no additional cost.**

☐ Create a Wellness Program for the City

As one of the area's leading employee benefits consulting companies, we can assist with all aspects of your wellness program. Bukaty has a full time wellness coordinator, Slayton Rous, who has worked extensively with Humana and their Vitality program. With Slayton's guidance, we coordinate all aspects of program delivery and work directly with the employees to maximize the value. We will also analyze, recommend, coordinate and manage additional wellness offerings, not offered by the carrier. A brochure describing our Wellness at Work program is included under **ATTACHMENT 6.**

Studies show that 75% of chronic diseases and illnesses are related to lifestyle and behavior choices. As a result, emphasis is shifting from reactive care to preventive and proactive measures. As the primary providers of health benefits for American workers, employers realize that medical benefits alone cannot sustain a healthy workforce.

If your company is looking for a new way to address the age-old challenge of rising health care premiums, Bukaty Companies can help. We believe the most cost-effective employee benefits programs address plan design, disease management and wellness.

Bukaty Companies has fully embraced the value and need for companies to adopt wellness programs as a strategic component in containing long-term health costs. While such programs are not an immediate remedy for containing benefits costs, the long-term implications of a wellness strategy are beginning to be understood.

We continue to research new technology and current trends in disease risk management. All programs we implement must be evidence-based and have the ability to report measurable outcomes. However, before we recommend a client entertain additional costs, we work with our contracted carriers to take advantage of their respective wellness services that generally are of no additional cost.

INSURER/PROVIDER RELATIONS

The City has access to a full array of wellness services available through Blue Cross. Additionally, we have established relationships with vendors to provide onsite screenings, educational campaigns and health management programs. A group the size of The City generally receives these services at no cost.

In addition, we can support a client's efforts by assisting in the development of activity challenges. In order to occupy less of the administration's time we can assist in the management of tracking through current technologies that enable us to streamline the process. We can also provide wellness articles and posters through multiple communication channels that can be inexpensively reproduced. Any costs associated with our wellness activities are related to large quantity printing or production costs.

We are able to assist clients with any number of wellness initiatives. Common services include:

- Assess current wellness program
- Evaluate existing health data
- Prepare a strategic wellness plan, outline measureable goals and objectives
- Coordinate onsite health fairs, health screenings and educational services
- Develop wellness communications for multiple media channels
- Initiate behavioral change programs and challenges
- Implement incentive structure based on appropriate strategy
- Arrange wellness vendors

Services offered:

- Employee wellness readiness assessment
- Strategic wellness plan preparation emphasizing goals and objectives
- Onsite health fairs coordination and biometric screenings
- Health risk assessments
- Wellness communications development (payroll stuffers, posters)
- Wellness committee guidance

We will also help the City employees take advantage of carrier provided services such as "Drug Pricing Tools" and "Provider Transparency" tools. These tools help the member understand the difference in cost between different network providers. When this knowledge is coupled with a reward system that incents members to use the most efficient provider, both the plan and the member will save money. When the carrier's tools are insufficient, Bukaty Companies will identify, evaluate and recommend a tool to accomplish the purpose. As is always the case, the City will have the final say as to whether to add such a tool and if so, which one to add.

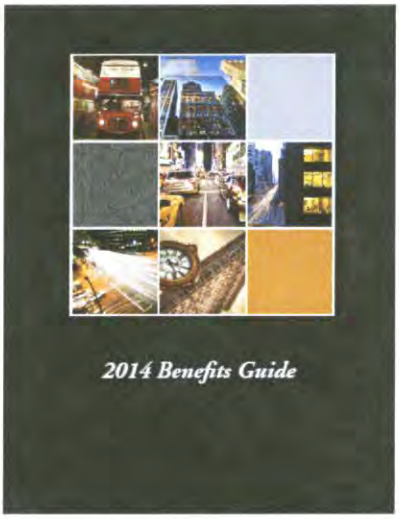
☐ Manage and Administer the Open Enrollment Process for the City

The value of a quality benefits program can be diminished if the proper attention and communication support isn't given to the open enrollment process. Your account team will work with the appropriate The City staff to develop a schedule of enrollment events, and a list of needed educational and supplemental materials. Onsite enrollment meetings are conducted by your lead

consultant and dedicated service team. Our Graphic Arts Department will design, prepare and print an enrollment guide, customized to your needs and preferences **at no additional cost**.

We have in the past held small group meetings and also have held one-on-one, face-to-face meetings during open enrollment. We are always willing to have enrollment meetings that best suit the needs for The City.

Additionally, Bukaty Companies has an online enrollment tool that provides electronic data transfer and storage. Our in-house enrollment manager is responsible for enrollment setup and provides employee support during the open enrollment season.



Our enrollment tool is also of value all year as new employees can sign up for their benefits and existing employees may refer to and see where they are with the current benefits. The system reduces the amount of time it requires to reconcile carrier bills and also produces total compensation statements.

Bukaty feels that our online enrollment approach offers our clients distinct advantages:

1) We offer our **own high-quality, in-house online system** at no charge. Having the service in-house allows us to directly control the service and resolution of issues. Please see **Attachment 7** for information on our on-line enrollment system.

2) We also have experience with outside online enrollment systems for clients who want unique enrollment capabilities only available from specific systems. Our familiarity with our own system plus the inherent challenges in all systems allows us to offer superior advice and service, regardless of the online system our clients choose.

3) For the past several years, Bukaty has processed all enrollments and terminations for our clients that do not use online enrollment and we will continue to do so. Our knowledge of all aspects and issues regarding enrollment gives us an extra level of expertise.

Q4. Describe your employee communication capabilities and provide samples.

Communication Materials

Bukaty Companies is in a unique position to offer an array of employee communications materials. We fully appreciate the value of communications and its role in increasing employee understanding of the University's employee benefit program. We will invest time to learn about your operations in

order to develop a strategic communication plan that supports the benefits program. We develop communication materials that will reflect the University's culture, identifying methods of communication, frequency and distribution. Examples of communications projects we have designed and implemented include:

- Benefit summaries
- Enrollment videos
- Employee focus groups
- Employee handbooks
- Open enrollment presentations
- Employee benefit surveys
- Payroll stuffers
- Newsletter articles

We will design, prepare and print enrollment booklets for your employees (at no charge) and conduct the enrollment meetings for all of your employees. We recommend a larger number of smaller meetings so that employees will feel more comfortable discussing their concerns or issues. We work with the carriers in this regard but we never forget that the carrier represents the carrier and the broker represents you. Consequently, we take the lead (with your approval) in determining the content of the employee presentations and the overall delivery of the message.

We also will develop (or enhance) the City's Benefits Intranet Website to include an audio presentation with a "follow-along" PowerPoint visual of the information communicated in the on-site enrollment meetings. We can also produce a video communicating the information. This allows spouses and employees that are unable to attend a meeting to conveniently access plan information and your "message".

We also encourage employees to call us directly throughout the year with their issues. Clearly, it is difficult for the average employee to understand all of the nuances of Health Care and Benefits in one meeting per year. We even encourage employees to call before they receive services so we can determine in advance the likelihood of an issue and resolve it on the front end. We strive to create, when possible, a relationship with each employee since that is the best way to help them consistently get the most of the plan, the most from the Health Enhancement initiatives available and the most cost-effective, high quality experience.

Bukaty Companies staffs a full-service professional marketing team whose graphic design experience and talents will be made available to produce custom enrollment materials for The City's annual enrollment. This makes the enrollment process much easier since the employee can complete one form that includes all lines of coverage. Since it is custom designed, we make certain that it is easy to understand and complete. We can also provide new hire information to ensure employees understand their benefit options. At the request of The City, we will meet with new employees once a month (or more often if necessary) to address any issues or answer any questions they might have. Direct contact with employees

is the best way to provide essential information and to minimize issues before they morph into problems. **Bukaty will provide these materials at no additional cost.**

Please see **Attachment 8** for samples of communication materials we have produced.

Bukaty will provide Open Enrollment management and design and produce communication materials at no additional cost.

Q5: How does your firm stay current with state and federal regulations?

Our dedicated in-house human resource professionals stay apprised of state and federal regulations through numerous outlets. Mary Amundsen is a member of the Society for Human Resource Management (SHRM) as well as the International Society of Certified Employee Benefit Specialists (CEBS). Mary a former VP at Aquila, heads up our compliance department and has an excellent reputation in her field. Because we provide payroll services for multi-state clients we are required to stay current on state compliance and regulatory changes.

Mike Bukaty also serves on numerous national advisory committees for every carrier in our marketplace. These committees allow Mike to have a greater understanding of both local and national employee benefits market, trends, regulatory and compliance updates and benchmarking statistics. Bukaty Companies will help ensure The City's benefit and human resource practices are in compliance with the Department of Labor, OSHA, ERISA and other regulatory agencies. We can audit The City's current practices and serve as a reference for your Human Resource staff. As warranted, we provide our clients with regulatory updates and the resulting implications via our *Benefit Bulletin, Health Care Reform Bulletins,* and *Better Your Business* seminars. Please see **Attachment 9** for a sample of a Bulletin that we regularly prepare.

Also, clients are encouraged to forward their insurance, benefit and compliance questions to

HRquestions@bukaty.com.

Below are sample HR topics that we have provided other clients:

- COBRA Administration –Who is subject to COBRA regulations? What are the eligibility requirements, notice requirements, qualifying events, employer responsibilities, duration of coverage, costs, coordination with other benefits?

- HIPAA Compliance – What processes do I need to implement to ensure HIPAA compliance? Is employee training necessary? What rights do employees have? What rights do employers have?

- Fair Labor Standards Act – How do I establish who is eligible for overtime? Do I have to pay overtime to someone who is a manager? When is an employee exempt from overtime? Is it necessary to track hours worked for all employees?

☐ Federal & State Notice Requirements – What federal and state notices must be displayed? How do I obtain the notices? Are there additional requirements for my particular industry? Are there requirements on how to display the notices?

☐ Medicare Part D – How do I know if our coverage is "creditable"? Who needs to receive notification? How often do I send a notice? How do I disclose information on our prescription drug coverage to CMS?

☐ I-9 Forms – Why do my employees need to complete a Form I-9? What are the requirements? Is a filing receipt acceptable? What documents are acceptable to verify identity and work eligibility? Can I-9 forms be thrown away?

☐ Family Medical Leave Act – Who does FMLA apply to? Do benefits have to be continued? While an employee is on FMLA? Who pays for the continuation of benefits? What if premiums aren't paid?

☐ Medicare – Do I have to offer insurance to an employee who is eligible for Medicare? How are benefits coordinated? When is Medicare not primary?

☐ Records Retention – How long do I have to keep employee applications, payroll records, I-9 files, EEO reports, work attendance data, COBRA records, etc.?

☐ Employee Handbook – What should a handbook cover? How often should I update our handbook? Is there information a handbook should contain to minimize our liabilities?

Health Care Reform

Bukaty Companies has been an area leader in advancing education and understanding of health care reform for our clients. The primary means of communication is the creation of our Health Care Reform Bulletin – the first of which was written within days of passage of the initial legislation. Since then, Health Care Reform Bulletins have been issued as interim regulations are issued. Additionally Bukaty Companies published *Health Care Reform – an Employer's Guide (see Sample Communications tab)* to provide a comprehensive overview of health care to date. The comprehensive, easy-to-read guide includes communication on the following topics:

☐ Coverage mandates
☐ Preventive Care
☐ Grandfathered Plans and Model Notices
☐ Internal/External Appeals Process
☐ Tax Provisions
☐ Self-insured checklist
☐ Small business tax credits

- Additional Information (Nursing mother provisions, W-2 reporting)

Additionally, Bukaty Companies has hosted a number of onsite seminars and webinars on health care reform to aid client understanding of this comprehensive legislation. Mary Amundsen has also presented to various business and professional groups on the topic. Given her depth of understanding of the health insurance market and reform legislation, Mary has provided public comment allowed by the regulatory process to point out the "unintended consequences" of some aspects of health care reform.

Health care reform will impact businesses of all size in numerous ways. Our belief is that initially the cost of health care will increase as a result of the various coverage mandates defined in the legislation. We cannot adequately address the impact of reform within the limited context of an RFP. Amending plan designs to include the mandate coverage is the simple part. Addressing the cost implications is where Bukaty Companies is uniquely qualified. We hope that we have demonstrated through our various answers that we are industry innovators as it pertains to cost-saving strategies for our clients.

Bukaty Companies hosts seminars approximately 2 "Better Your Business" seminars per month throughout the year, covering topics such as health care reform, employee handbooks, new regulations, Human Resources and other related topics. Please see **ATTACHMENT 10** for a copy of our current schedule.

Our dedicated in-house human resource professionals stay apprised of state and federal regulations through numerous outlets. We receive immediate notification from the Department of Labor and Health and Human Services when information bulletins are released and we subscribe to EBIA. Bukaty Companies is a member of the Society for Human Resource Management (SHRM) as well as the International Society of Certified Employee Benefit Specialists (CEBS). Because we provide payroll services for multi-state clients we are required to state current on state compliance and regulatory changes.

We communicate through our Benefit Bulletins, Quarterly Newsletter, Carrier Notices and Health Care Reform Bulletins. All are written in a timely matter and distributed to our clients via email. Additionally archived notices are placed on our online portal for reference.

Clients are encouraged to forward their insurance, benefit and compliance questions to our HR Help Desk, managed by Senior Vice President, Shirley Lind, SPHR, CEBS. Questions that cannot be answered by Bukaty Companies will be referred to in-house counsel. A description of this service is included under **ATTACHMENT 4.**

As a Business Associate, Bukaty Companies is required to comply with HIPAA privacy and security rules. We have developed a comprehensive HIPAPA policy and procedural manual that addresses the administrative, technical and physical safeguards required of HIPAA HITECH. We require vendors and other third-party administrators we engage to sign a Business Associate agreement to ensure work performed on behalf of our clients is meeting the applicable HIPAA standards.

Bukaty Companies has been an area leader in advancing education and understanding of health care reform for our clients. Our primary means of communication is our Health Care Reform Bulletin – the first of which was written within days of passage of the initial legislation. Since then, Health Care Reform Bulletins have been issued as interim regulations are released. Additionally, Bukaty Companies published Health Care Reform – An Employer's Guide to provide a comprehensive overview of health care to date. The Health Care Reform Guide includes communication on:

- Coverage mandates
- Preventive care
- Grandfathered plans and model notices
- Internal/external appeals process
- Tax provisions
- Self-insured checklist
- Additional Information (nursing mother provisions, W-2 reporting)

We are well aware of the various provisions of the law and stand ready to help our clients evaluate and model the impact. We also provide frequent communication concerning new requirements such as auto-enrollment migration and new forms that must be completed and submitted. We prepare on your behalf Form 509 for the plan research fee as well as your 5500 should one be required. There are a host of other provisions that will ultimately affect costs and the administration of your plan. We can be your guide and, in most cases, prepare the documentation that you are required to provide.

Q6: Describe your firms approach to provide the services specified in this RFQ. Specifically address areas of negotiating and managing health care costs, plan administration, maintaining legislative compliance, and developing a long-range benefits strategy.

Maintaining Legislative Compliance

Please see **Question 5**, which details our efforts to ensure that you remain legislatively compliant with all state and federal requirements.

Plan Administration

We encourage employees, their spouses and/or their dependents to contact us directly to assist with claims service/administration. This allows The City's human resource department to concentrate on core HR functions instead of responding to claims issues or billing matters. Employees will appreciate someone who can serve as an advocate on their behalf without having to explain medical conditions to The City to get the issue resolved. This also insulates The City from potential law suits that might surface if your staff regularly received personal, protected information – even if the employee volunteers it.

We also become a true partner with the Benefits staff of the City, assisting with billing reconciliation when necessary and making certain that all required reporting is completed in a timely manner. Most of these submissions can be prepared by us and simply signed by you. Even the process of allocating a carriers premium rebate check can be handled by our staff. In short, **everything on your desk that could be on our desk will (with your permission) be on our desk.**

Tactical Negotiation

In order to ensure The City's plan is competitive, we recommend marketing your group's plan most years, however, we understand it is not in your best interest to change plans each year. Competition drives price. After marketing The City's plan, we are able to use that price point to negotiate with the current carrier and in turn capitalize on potential savings. Some years we will negotiate by agreeing not to market (with your permission) if the carrier will provide an early, agreed upon renewal percentage. We are confident that this approach ensures our clients the best rates and allows our client to make the most informed decision. Additionally, Bukaty Companies has over 1500 clients. We are one of the largest brokerage firms in the area, but **in the "under 100 employee market", we are by far the largest and we have earned the highest designation with every carrier. This gives us unprecedented influence in the carrier negotiation process.**

We would submit proposals only from financially sound insurers with extensive networks in the Northwest Missouri area. Our analysis of available carriers, however, goes beyond network adequacy and financial strength. In this area many of the competing carriers have similar networks and strength. The true distinction is found in contract language, administrative systems, and medical management techniques. We will explore every aspect of a carriers offer and provide you a readable, understandable, analysis. Our goal is to provide you with any information that might shed light on your options. The following content will detail our efforts.

Gathering Required Information for Quotes

Even if there is little intention to change carriers, obtaining competing quotes is the best way to negotiate the current carrier to a lower level. Gathering medical information on each employee is a difficult and time consuming process, but it is a necessity if the goal is the lowest possible renewal. Most brokers will send out a website for the employees to access and then enter their requested information. At Bukaty, we meet individually with each employee and minimize the time that they spend on the process at the expense of our time. Employees find this process far less confusing when they are meeting one-on-one. Also by interviewing the employees individually we get more specific and accurate information which almost always results in a lower rate up from the carriers that review this information. Vague information leads to uncertainty and higher than necessary rate ups. Our approach is to

present the information as accurately and positively as possible. If you leave the employees on their own to communicate this information to the carriers it is often incomplete, exaggerated or extraneous.

Contract Analysis:

Bukaty Companies maintains a working document that details the contract, medical management, and administrative differences between carriers. Carrier offerings are not solely distinguished by deductibles and co-pays. Their contractual language, prior-authorization requirements, underwriting approach, and online capabilities, are all important factors in choosing a carrier that best fits The City's needs. Bukaty presents a table that clearly indicates all pertinent contractual, coverage and administrative differences. We want our clients to be armed with any information that might be relevant in their comparison between options.

Network Analysis:

Bukaty Companies conducts an extensive CPT code analysis between carriers to determine the relative strength of each carrier's discounts. Not only self-funded groups but fully-insured groups can benefit from this analysis as the network discounts are a vital component of the group's claims and have a significant impact on renewals. The adequacy of the network is measured by comparing employee survey responses of provider preferences with a carrier's panel of physicians and hospitals.

Gaining from the experience of managing over 1500 clients, the Bukaty Company has developed systems that allow us to provide useful network information, not just generalized, summary information. Rather than simply provide you with the total number of network physicians available from each carrier, we understand that such information is of limited value. Our network analysis starts with a survey (formal or informal) that determines the doctors that are preferred by your employees and their families. This information is generally gathered during the medical underwriting phase, where employees are interviewed individually to complete the requested information. The requested doctors are then compared with each network. At a glance, you can see not only the relative size difference between networks, you can also see how many "preferred" doctors will be lost and how many will be gained if that carrier is selected.

With Health Care Reform, we expect that carriers, in order to contain cost, will begin driving hospitals to align with a limited number of carriers that exclude the closest and competing hospitals. This dramatic shift in the composition of networks will create network disruption for employees. This change will require benefits consultants to be far more in tune with provider differences and discounts and employee preferences. Bukaty Companies historically has emphasized network selection to a greater degree than many consultants. We recognize that the network is the most important factor in affecting cost efficiency and determining employee satisfaction. This focus will become of greater value as these changes evolve.

Special Terms & Conditions

There are times when the addition of coverage can have a positive impact on long-term cost. One of our self funded clients offered smoking cessation drugs as standard covered items. In the first year, there was a slight spike in prescription cost, but 10 employees stopped smoking. The long term positive affect that this will have on claims should be far more significant than the small cost for the drugs. The same client also covered lap band surgeries for those that were morbidly obese. Only a small number both qualified and desired the surgery, but each of them have experienced significant weight loss. Again, the long-term advantages exceed the short-term expense. At other times, the addition of an inexpensive plan offering can soften the blow of changing an expensive element of the medical plan. For example, a $4.00 vision plan was added to a current client's portfolio in conjunction with a $500 increase to the medical plan's deductible. Even though the savings from the higher deductible was far greater than the cost of the vision plan, the employees felt that benefits had improved. We had predicted this outcome after analyzing deductible credit reports and employee surveys. Value is subjective and by gathering the right information from the right sources, greater employee value can be achieved while reducing your cost. Our marketing approach involves the following phases:

Discovery

We will work to develop a partnership with The City to better understand the needs and challenges of your organization. In addition to learning about the basic fundamentals of The City, we will also gather information on your employee demographics, salary structure, turnover rate, tenure and funding plans. Two Important elements of this process involve preference analysis and success analysis. Surveys and focus groups tell us what the employees prefer and our analysis of plan specifics tell us how successful the organization has been in meeting those preferences. Our complete and detailed claims analysis details how successful the group has been in terms of efficiency, disease states and preventable conditions and overall performance. Once the relevant data has been reviewed and analyzed, we will then develop a benefits strategy, making certain that the strategy meets your needs and is within budget guidelines. Discovery is pivotal to the success of the overall strategy and it is the basis of how vendors will view and evaluate the proposed rates at renewal. Our job is to present your information to the market in the most positive manner possible. The greater our discovery, the more positive the factors we will have to present. The same information is then presented internally as the critical first step in the development of a long-range benefits strategy.

Analysis and Plan Recommendations

Bukaty Companies will evaluate data to determine overall plan effectiveness and submit recommendations for improvement as necessary. We will evaluate proposals submitted by carriers and present viable options to The City for consideration. We will present new programs and recommend the most economical funding methods if appropriate. Our

evaluation and subsequent vendor recommendation will be based on the best price, network, plan design, contract, vendor tool availability (wellness programs, online enrollment, etc) and vendor service model.

Analysis of Additional Product Offerings

Each year we evaluate the benefit products currently offered – whether company paid or voluntary – and determine if additional or replacement products should be offered. For example, a group may save money by replacing their sick leave benefit with a Short Term Disability policy. Others may save money by doing the opposite. A careful financial study of past expenses is the key to this type of analysis.

Voluntary/Supplemental benefits have become increasingly popular over the past few years with the growing tendency of employers to pass on higher deductibles, copays and co-insurance as a response to higher health care costs. Consequently, more supplemental carriers and options have surfaced. Even benefits that are commonly paid by the company, such as Life, LTD, and Dental, are available from more sources than was the case a few years ago. This has created a great opportunity for employers to save money on their ancillary benefits and to offer a better value to the employees that choose to purchase voluntary benefits. One supplemental critical illness policy, for example, offers $150 to any participant that receives a "preventive screening" such as a cholesterol test. This $150 ($300 for employee + spouse) is generally less than the premium that the employee pays. The product is a great deal for the employee since the net premium is generally less than zero and a great move for the employer since the employee is now heavily incented to get a screening – an incentive that any employer would value. Please see **ATTACHMENT 11** for a sample of a renewal schedule for a client.

Managing Cost

Our obligation as the broker/consultant to The City would be to develop a well-designed employee benefits program that is valued by your employees while meeting financial cost objectives. We believe Bukaty Companies has a proven history of offering creative ideas, innovative strategies and responsive service that translates into satisfied participants and an efficiently managed benefits program.

The ability to negotiate The City's renewal and marketing options are a big part of reducing your cost. Negotiation, however, can only go so far. At some point risk characteristics and claims utilization becomes the driver of every plan's cost. When employing a long range benefits strategy, **there are two basic ways to reduce cost – (1) help your employees become healthier so they will require fewer services and (2) help your employees use their plan more efficiently and at the appropriate setting so when they do utilize services, the cost is less.** While cultural and other considerations must be examined before implementing any ideas or changes, below are samples of cost-savings options we would want to explore.

Claims Analysis

In past years, no claims have been available for The City to review or analyze since your group has had fewer than 100 enrolled employees. With the passage of House Bill 818, however, **The City has had access to summary claim information for the past 2 years**. That bill requires insurance carriers to provide – upon request – summary claims information to all groups if they have over 50 enrolled employees and they have been insured with that carrier for a minimum of 22 months. Provided The City has now been with Blue Cross for the required length of time, that report will now be available. This will provide invaluable information during the process of evaluating the renewal and alternate carrier options while providing The City with a potential weapon for negotiation.

Bukaty has also invested in a claim sort system called Decision Master Warehouse (DMW) that produces internally generated claim reports. This system allows all categories of claims (gender, age, CPT codes, disease, place of service, etc...) to be cross referenced against each other. Through this system, we can potentially produce over 2 million reports. This level of detail is extremely useful in any effort to develop and monitor wellness programs or influence member utilization patterns. The DMW reporting package is only available if the carrier is willing to download the raw claims to our system. Every carrier will provide this for groups over 150. Most will provide it for groups with over 100 participants and, if The City ever moves to a self-funded arrangement, these reports would be available regardless of your size.

Benefits Design Analysis:

When inefficient behavior is identified, the benefit design can be amended to influence member utilization patterns. We will evaluate your plan based on claims utilization reports (if available) and recommend benefit design changes if necessary with a goal to influence positive behaviors by your members. If claim utilization reports are not available we access these patterns based on employee surveys. Lowering a generic drug copayment typically drives generic utilization over brand utilization, which aids in cost containment without negatively impacting the member's health. Encouraging Urgent Care over the Emergency Room helps the member receive treatment sooner while lowering plan cost and member cost. The same is true when outpatient surgery is promoted over inpatient and PCP visits are favored through copays over Specialist visits.

To determine if the group has the appropriate plan design, special consideration should be given both analytically and perceptually. Strategic analysis encourages clients to consider the financial aspects as well as how the employees view their benefits. For example, during a modeling analysis Bukaty Companies would review your out-of-network utilization and if the benefit is minimal, we could increase the co-insurance liability for the employee, which would result in a decreased premium. An employee survey, while less analytical, can illustrate which benefits the employees perceive as valuable. We understand that The City's goal is to continually enhance its benefit package to ensure competitiveness at a reasonable cost. After

this information is collected, the results can be used in conjunction to determine the most appropriate plan design.

Wellness

As one of the area's leading employee benefits consulting companies, we can assist with all aspects of your wellness program. Bukaty has a full time wellness coordinator, Slayton Rous, who has worked extensively with Blue Cross and their available programs. With Slayton's guidance, we coordinate all aspects of program delivery and work directly with the employees to maximize the value. We will also analyze, recommend, coordinate and manage additional wellness offerings, not offered by Blue Cross. A brochure describing our Wellness at Work program is included under **ATTACHMENT 6.**

Studies show that 75% of chronic diseases and illnesses are related to lifestyle and behavior choices. As a result, emphasis is shifting from reactive care to preventive and proactive measures. As the primary providers of health benefits for American workers, employers realize that medical benefits alone cannot sustain a healthy workforce.

If your company is looking for a new way to address the age-old challenge of rising health care premiums, Bukaty Companies can help. We believe the most cost-effective employee benefits programs address plan design, disease management and wellness.

Bukaty Companies has fully embraced the value and need for companies to adopt wellness programs as a strategic component in containing long-term health costs. While such programs are not an immediate remedy for containing benefits costs, the long-term implications of a wellness strategy are beginning to be understood.

We continue to research new technology and current trends in disease risk management. All programs we implement must be evidence-based and have the ability to report measurable outcomes. However, before we recommend a client entertain additional costs, we work with our contracted carriers to take advantage of their respective wellness services that generally are of no additional cost.

As a large group client, The City has access to a full array of wellness services available through Humana. Additionally, we have established relationships with vendors to provide onsite screenings, educational campaigns and health management programs. A group the size of The City generally receives these services at no cost.

In addition, we can support a client's efforts by assisting in the development of activity challenges. In order to occupy less of the administration's time we can assist in the management of tracking through current technologies that enable us to streamline the process. We can also provide wellness articles and posters through multiple communication channels that can be inexpensively reproduced. Any costs associated with our wellness activities are related to large quantity printing or production costs.

We are able to assist clients with any number of wellness initiatives. Common services include:

- Assess current wellness program
- Evaluate existing health data
- Prepare a strategic wellness plan, outline measureable goals and objectives
- Coordinate onsite health fairs, health screenings and educational services
- Develop wellness communications for multiple media channels
- Initiate behavioral change programs and challenges
- Implement incentive structure based on appropriate strategy
- Arrange wellness vendors

Services offered:

- Employee wellness readiness assessment
- Strategic wellness plan preparation emphasizing goals and objectives
- Onsite health fairs coordination and biometric screenings
- Health risk assessments
- Wellness communications development (payroll stuffers, posters)
- Wellness committee guidance

Cost Efficiency

We will also help the City employees take advantage of carrier provided services such as **"Drug Pricing Tools"** and **"Provider Transparency" tools**. These tools help the member understand the difference in cost between different network providers. When this knowledge is coupled with a reward system that incents members to use the most efficient provider, both the plan and the member will save money. When the carrier's tools are insufficient, Bukaty Companies will identify, evaluate and recommend a tool to accomplish the purpose. As is always the case, the City will have the final say as to whether to add such a tool and if so, which one to add.

Bukaty Companies believes it's important for employees to increase their understanding of the challenges of Health Care and to accept responsibility for being stewards of the company's benefit plan. We will create a customized "Medical Know-How" consumerism campaign designed to educate employees on how their health and health care choices affect the overall cost of care. It is our goal to inform employees of simple yet effective ways to reduce their out-of-pocket cost and in turn reduce The City's plan expenses. If desired, we will produce consumerism literature that can be distributed via payroll stuffers, e-mail, and posters. Consumerism topics focus on prescription usage, inpatient vs. outpatient procedures, and urgent care vs. emergency room visits just to name a few. An example of payroll stuffers. Please see **ATTACHMENT 8** for examples of payroll stuffers.

When inefficient behavior is identified, the benefit design can be amended to influence member utilization patterns. We will evaluate your plan based on claims utilization and recommend benefit design changes if necessary with a goal to influence positive behaviors by your members. Lowering a generic drug copayment typically drives utilization over brand

name drugs, which aids in cost containment without negatively impact the member's health. Our DMW system allows us to provide our clients with in-depth reports that compare plan designs and performance with other companies with the same employee demographics. These reports are created internally for fully insured groups with more than 100 (150 for some carriers) participating employees or for self-funded groups of any size.

Q6(A): Describe your firms approach to providing and developing a long-range benefits strategy.

We expect to have at least 4 regularly scheduled face to face meetings per year, and will schedule additional face to face meetings at your request. We will request at least 4 meetings per year to track and review the results of our Strategic Business Plan and make strategy adjustments as needed. We will also request the opportunity to conduct employee surveys and review those in a separate meeting prior to the renewal.

The primary purpose of these meetings, aside from receiving and responding to your feedback, will be a systematic monitoring of the goals and objectives outlined in the long-term Strategic Business Plan **(Please see ATTACHMENT 8).** The goals and objectives will generally focus on three desired outcomes:

1) Moving employees and their families to a higher state of health and wellness so that fewer and less expensive services are required to maintain their health.
2) Increasing employee satisfaction by aligning their preferences and wishes with the financial realities of sound Plan stewardship.
3) Increasing member efficiency by educating employees on the differences in charges between different in-network providers and incenting them to select the most appropriate one. A description and brochure for one such tool, Compass, is included under **ATTACHMENT 12.**

Q7: Describe any other facets of your firm and experience that are relevant to the proposal which have not been previously described that you feel warrant consideration.

Kansas Department of Commerce recognized The Bukaty Company for outstanding businesses. Bukaty Companies won in the service category for the East Central region and was one of 24 Kansas businesses to receive a Regional Business Excellence Award. - Please see **Attachment 13** for the published announcement.

Mike Bukaty has made an extensive investment to provide state of the art technology and in-house services that equal or exceed those offered by the national, publicly traded firms. More importantly, we have retained the personal touch that has created a true partnership with our clients, as demonstrated by our high customer satisfaction responses and referral rates.

The following is a partial list of the services we will provide:

INSURER/PROVIDER RELATIONS

FSA Administration
HR Consulting
In-house, professionally produced materials
Claims and Plan Analysis
Direct employee involvement so you avoid the time and the legal liability.
COBRA
An Intranet Website
A senior executive and a team of 3 support managers that will be available when you call.

We are a stable locally owned, locally managed and focused Agency. Mike Bukaty has owned the Bukaty Companies since its inception in 1992 and our business focus has always been in Kansas City and the immediately surrounding areas. We regularly evaluate our service model through surveys and we are consistently told that we are exceptionally responsive and proactive.

Your service team at Bukaty Companies

John Bremerman – *Benefits Consultant*
jbremerman@bukaty.com

John joined Bukaty Companies 5 years ago and offers his clients 24 years of experience in the insurance and employee benefits industry. John has extensive experience in the large case and self-insurance market, working with some of the area's largest employers in manufacturing, education and non-profit organizations. Prior to joining Bukaty Companies, John was a senior benefits consultant for a local brokerage firm. He also served as director of sales for HealthNet, which has since merged with Coventry Health Care.

John holds a bachelors degree from Baylor University, Waco, Texas. He also received his MBA from Baylor with an emphasis in law and finance.

Krystle Lorigan – *Account Manager*
klorigan@bukaty.com

Krystle joined Bukaty Companies as a Client Service Manager with several years of previous insurance experience. She is responsible for assisting clients with the day-to-day administrative and service issues including claims, billing, ID card requests, enrollment issues and employee terminations. Krystle's can-do attitude has made her a welcome addition to the Bukaty team.

Krystle graduated from Central College with a bachelor's degree in public relations. She is also a licensed agent for life and health in Kansas & Missouri.

Kyle Bybee – *New Business/Renewal Specialist*
kbybee@bukaty.com

Kyle brings more than five years of customer service experience to Bukaty Companies. As a new business/renewal specialist, Kyle is primarily responsible for obtaining group carrier quotes, preparing spreadsheets, and assisting groups through the open enrollment and underwriting processes. Kyle believes that customer satisfaction is priority and his strong attention to detail allows him to excel at this position.

Previously Kyle served as director of operations for a nationwide photography firm. He oversaw all aspects of operations including hiring, training, marketing, financials, inventory, payroll, and scheduling all while ensuring a quality product and excellent customer service.

Kyle received a Bachelor of Arts in Communication with a minor in Business Administration from Truman State University.

Prudence Rexroat – *Client Service Specialist*
prexroat@bukaty.com

Prudence has more than 18 years of insurance industry experience. She is responsible for assisting clients with the day-to-day administrative and service issues concerning group health insurance (i.e., claims, billing, ID card requests, enrollment issues and employee terminations).

She earned a Bachelor's of Science degree in Public Health from Indiana University, and has held various positions on both the carrier and broker side of the insurance business.

Mary Amundsen – *Managing Director*
mamundsen@bukaty.com

Mary joined Bukaty Companies in 2003 to help build the company's communications, human resource consulting and wellness programs. Mary's focus is to provide clients with news and analysis of carrier changes, industry trends, regulatory changes and benefit developments. She works directly with clients to ensure seamless integration of wellness, benefit and communication activities. Previously she enjoyed a 12-year career with Kansas City-based Aquila, Inc., where as vice president she was responsible for employee, media, and community communications.

Shirley Lind – *Senior Vice President*
slind@bukaty.com

Shirley joined Bukaty Companies in September 2007 with more than twenty years of Human Resources experience consulting with a wide array of clients. Her background positions her to provide our clients both tactical and strategic consulting across the employee lifecycle. She possesses a high level of competence in employee relations, training, compliance, policy and process establishment, personnel management, and performance management.

She holds a Bachelor's Degree in Human Resources from the University of Kansas. She also has achieved, through independent studies through the Wharton School of Business, the CEBS (Certified Employee Benefits Specialist) designation, demonstrating her knowledge of benefits and other human resources topics. She served as the 2011 President of CEBS- Kansas City Chapter. In 1999, she earned her certification as a SPHR (Senior Professional in Human Resources).

Slayton Rous – *Wellness Manager*
srous@bukaty.com

Slayton will work with clients to design customized wellness programs that target identified health risks within your employee population. Other wellness services provided by Bukaty Companies include arranging onsite biometric screenings, flu shot clinics and health fairs. Wellness programs have proven to be an effective tool in containing health care costs and improving employee morale and productivity.

Slayton is a graduate of Emporia State University with a bachelor or science in health promotion and is currently working toward a graduate degree at the University of Kansas. He has worked with Stower's Institute for Medical Research, Midtown Athletic Club and WellLife at Work. Most recently Slayton worked at Blue Cross Blue Shield of Kansas City as a wellness support specialist.

About Bukaty

Company History

Founded in 1991 by Mike Bukaty, Bukaty Companies is one of the Kansas City area's largest and most successful insurance brokers. From its early beginnings as a three-person office, the business has grown to more than 100 employees representing more than 1,600 health/welfare clients.

The success of Bukaty Companies stems from our long-standing tradition and commitment to providing outstanding client service. We value our relationships and work hard to earn our client's trust. As a result of our commitment to excellence our five year client retention rate is 95%.

Bukaty Companies timeline:

1991	Bukaty Companies founded
1997	Benefits Administration division established
2001	Retirement Plan Services division established
2005	Property & Casualty division established
2007	Marino & Associates, a local property and casualty firm, acquired
2008	Payroll and human resources consulting division established
2008	Columbia, Missouri, sales office opened
2010	O'Renick Companies, Leawood-based financial services firm, acquired

We are proud to have earned numerous professional designations from some of Kansas City's leading insurance carriers. These awards allow us to provide concierge-level service to our clients that many brokers cannot access. Designations include:

- Blue Cross Blue Shield of Kansas City	**"Blue Chip Broker"**
- CIGNA Healthcare	**"Platinum Producer"**
- Coventry Healthcare	**"Platinum Producer"**
- Humana	**"Leader's Club"**
- UnitedHealthcare	**"Platinum Producer"**

BUKATY

About Bukaty

Bukaty Companies Core Purpose:
Helping people protect their quality of life.

Bukaty Companies Mission:
To provide products and services to individuals and families that help build and protect their health and financial security throughout all stages of life.

Statement of Values:
Our Company and employees are driven by a desire to provide superior customer service, while performing ethically and professionally. We will continually seek to improve our industry knowledge to be of better service to our clients.

Bukaty Companies Core Values:
The quality of our client relationships and commitment to service is a reflection of our company values and culture.

Service Accept personal responsibility for timely follow-up and resolution of service issues and continually seek opportunities to exceed client expectations.

Knowledge Maintain a commitment to continuous learning, educating ourselves on recent industry developments and market changes to ensure our clients have the best information available to evaluate their insurance and employee benefit services.

Integrity Uphold the highest of business principles by performing honestly and ethically in all of our dealings with carriers, vendors and clients.

Teamwork Promote a climate of open communication, professional courtesy and strong internal support for our coworkers so that the daily work environment is enjoyable and rewarding, translating into improved service and value to our clients.

About Bukaty

Services

Our clients derive their greatest benefit from our vast industry knowledge, experience and the extensive list of value-added services that we provide. Our growth model is founded on the premise that a strong partnership will ultimately provide our clients with the best long-term solutions. Bukaty Companies is comprised of five separate but integrated divisions.

Employee Benefits:

- Group medical, life, dental, vision
- Individual coverage
- HR Help Desk
- Worksite products
- Medicare supplements
- HR consulting
- Wellness programs
- HR compliance

Property & Casualty:

- Property
- Business auto
- General liability
- Surety bonds
- Workers' compensation
- Home/auto

Benefits Administration:

- Flexible Spending Account (FSA)
- Health Savings Account (HSA)
- Heath Reimbursement Arrangement (HRA)
- COBRA Administration

Payroll Administration:

- Payroll administration
- HRIS administration
- Time & attendance

Retirement Plan Services:

- Retirement plan consulting
- Due diligence
- Fiduciary services
- Wealth management
- Compliance

Our Strategic Approach to Managing Employee Benefits

The key to our competitive pricing success is the considerable time invested up front developing an overall market strategy. We believe in a five-phase approach to placing and servicing our clients' insurance programs and other employee benefits.

1. Needs Assessment

2. Plan/Carrier Analysis

3. Plan Selection

4. Implementation

5. Ongoing Support

Client Services

1. Needs Assessment

Ideally we work with our clients 90 to 120 days prior to renewal. This allows us to determine a strategic plan of action for the following plan year's renewal.

We will arrange a client meeting to identify goals, preferences and new initiatives to be addressed. At this time we will also request claims data from the current carrier or TPA to assess loss ratios.

We will market your group's insurance with multiple carriers available to receive the most competitive insurance rates in the area. Employees will complete applications during this phase.

One of the easiest ways to expedite the application process is to utilize our online applications system. Our partnership with EasyAppsOnline allows your employees to complete a single application, which automatically populates to carriers in your market. Upon completing the application process, the employer will be given a firm proposal with viable options to consider.

EasyAppsOnline features:

- Completion of the application process takes approximately 15 minutes
- Employees can access the application from any computer 24/7
- Information is archived for the user so next year's enrollment is even easier
- Census upload link can pre-populate employee applications
- Dedicated Bukaty Companies "Help Desk" available for employees' questions
- Digital signature verifies participant

"Completing multiple applications was extremely time consuming for our employees. With EasyApps one application allowed us to get multiple carrier quotes. We loved the process!"

- Cindy, Benefits manager

2. Plan/Carrier Analysis

Our initial assessment will allow us to identify a carrier that meets your company's unique needs and objectives. Approximately 75 days prior to renewal we will begin the bid process with alternate carriers and networks. As necessary we will evaluate carrier, third-party administrator (TPA), network and PBM proposals. Bukaty Companies is licensed with all major insurance carriers and TPAs. Our strength and strong recognition among carriers benefits our clients at plan inception and upon renewal.

Key plan considerations include:

- Price
- Plan design
- Network
- Service

3. Plan Selection

After analyzing different carrier and plan design options, our benefits consultants will evaluate proposals submitted by carriers and recommend viable options to your organization for consideration. We'll also explain the reasoning behind the exclusion of unselected carriers. The benefits consultant will show a side-by-side comparison of coverages and premiums for your review.

Approximately 60 days prior to renewal, we will negotiate terms and conditions with the respective carriers/vendors with the client's input.

Sample Spreadsheet

Prepared By: Bukaty Companies

Renewal & Quotes Based on: 30 Employees, 3 Employee & Spouse, 1 Employee & Child(ren), 1 Families

Insurance Carrier:	Coventry	BC/BS	United HealthCare	Aetna
Plan Name	QHDHP MQ A25025 30	Pkg "B" BlueSaver Plan	K7J - 2V	MC $2500 100%
Network	Coventry	Preferred Care Blue	Choice Plus	Managed Choice
	H S A Compatible	H S A Embedded	H S A Embedded	H S A Compatible
	In Network / Out of Network	In Network / Out of Network	In Network / Out of Network	In Network / Out of Network
Office Visit	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.
Preventive (Limited Benefit)	$30 copay / Ded. & Coins.	No Copay / Ded. & Coins.	100% / Ded. & Coins.	$20 copay / Ded. & Coins.
Drug Card In Network:				
Generic-Preferred-Non-Preferred	Deductible	Deductible then 100%	Deductible then 100%	Deductible
Mail Order (90 Day Supply)	Deductible	Deductible then 100% *(102 day supply)*	Deductible then 100%	Deductible
Single Deductible	$2500 / $2500	$2500 / $2500	$2500 / $4000	$2500 / $5000
Family Deductible	$5000 / $5000	$5000 / $5000	$5000 / $8000	$5000 / $10,000
Co-Insurance	100% / 80%	100% / 80%	100% / 60%	100% / 70%
Single Out of Pocket Max.	Deductible / $2500 + Ded.	Deductible / $7500+Ded.	Deductible / $4000+Ded.	Deductible / $1500+Ded.
Family Out of Pocket Max.	Deductible / $5000 + Ded.	Deductible / $15,000+Ded.	Deductible / $8000+Ded.	Deductible / $3000+Ded.
Hospital In-Patient	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.
Hospital Out-Patient	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.
Urgent Care	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.	Deductible / Ded. & Coins.
Emergency	Deductible / Deductible	Deductible / Ded. & Coins.	Deductible / Deductible	Deductible / In-Network Ded.
Vision (Limited Benefit)	Ded.($50 EyeMed) / Ded. & Coins.	Discount Eye Care Program	Deductible / Not Covered	$20 copay / Ded. & Coins.
Lifetime Maximum	$5,000,000	$5,000,000	$5,000,000	$5,000,000
EMPLOYEE	**$245.96**	**$254.30**	**$319.91**	**$341.00**
EE & SPOUSE	**$516.52**	**$520.70**	**$671.81**	**$695.00**
EE & CHILD	**$467.32**	**$399.61**	**$623.82**	**$563.00**
FAMILY	**$762.48**	**$605.47**	**$975.72**	**$934.00**
Total Medical Premium:	**$10,158.16**	**$10,196.18**	**$13,212.27**	**$13,812.00**

4. Implementation

Once you select a plan that fits your needs, and is within your organization's financial objectives, we will develop a customized implementation schedule. Our team works diligently with you to ensure implementation is performed with as little disruption as possible. Clients enjoy our unique enrollment approach by utilizing hard copies or web-based communication materials. Employees can then make informed decisions regarding their employee benefits package. During this phase we will communicate new programs, plan design changes, and compliance issues - all while increasing employee satisfaction for the overall benefits.

Onsite open enrollment meetings

We will provide employees with customized benefit summaries to increase understanding and appreciation of the benefits being offered. During this time Bukaty Companies can answer questions or concerns from employees.

Additionally, your assigned dedicated support team will field follow up questions after the enrollment meetings are complete.

Webinars

This mode of communication is best for groups with multiple locations or multiple lines of coverage. Bukaty Companies has the ability to present your plan participants an online summary of carriers, costs and networks. Web-based narrated employee benefits presentations can be customized to increase awareness and overall satisfaction of the benefits being offered.

5. Ongoing Support

Bukaty Companies' commitment to service is one of our greatest market differentiators. Our service model assures each client is assigned a dedicated account team who will function as an extension of the client's Human Resource department. These members are responsible for all aspects of client service. The team's collective knowledge of a client's account ensures that service issues are resolved on a timely basis. Our cross-trained staff is able to assist with employee's claims issues, billing inconsistencies, ID card requests, and more if necessary.

We encourage plan participants to contact us directly instead of going through the insurance carrier. This service model has proven extremely effective. Most other brokers do not serve as the liaison between the employee and the carrier, which often can lead to frustration.

Additionally, Bukaty Companies initiates periodic quality assurance calls. These calls are conducted by someone outside the account team to allow clients to provide candid feedback on their level of satisfaction. While these calls most often solicit client praise, we are equipped to immediately respond to any client concerns that are raised.

We help manage the employee life cycle

Incoming - New employee

- Employee meetings
- Individual consultation
- Online enrollment
- Benefit portal

Ongoing - Present employee

- Dedicate service contact
  - Claims resolution
  - Enrollment changes
- Employee training
  - Harassment
  - HIPAA
  - Employee orientation
- Employee communication
  - Plan changes
  - Consumerism
- Wellness
  - Health screenings
  - Health fairs
  - Customized programs
- FSA
  - Claims adjunction
  - Website availability

Outgoing - Former employee

- COBRA election
- Medicare consultation
- Medicare part D

Client Services

Our Clients Say it Best!

At Bukaty Companies, we are pleased to report that we have over a 95% client retention rating. We provide much more than traditional benefit services. The value of our services is best described by our clients.

96.3% My service issues are always resolved promptly and in a professional manner by my Bukaty Companies service team.

94.2% Of the various companies I do business with, customer service at Bukaty Companies ranks among the best.

96.9% From my experience, Bukaty Companies' staff places a priority on my satisfaction.

96.3% When I call Bukaty Companies, the phone is answered quickly and courteously.

82.0% Having access to the HR Help Desk at Bukaty Companies is a valuable client benefit.

* Complied from 2010 survey results.

Here's what our clients have said about us...

"I have found every aspect of Bukaty Companies to be remarkably higher than other companies' best practices. The staff at Bukaty Companies also adds a personal touch. Thank you for the wonderful, prompt service."

"Keep up the good work! This level of customer service is crucial in these economic times!"

"All at Bukaty have always provided us excellent, first-class service with great results and outcomes. You are an outstanding company and group of professionals."

"I rely heavily on Bukaty Companies to help me with managing our benefits and human resources programs. I couldn't do it without you."

For more information about Bukaty Companies, contact us at 913.345.0440 or visit www.bukaty.com.

Benefits Consultant Comparison

We encourage you to rate the service of your current benefits consultant against the guaranteed services of Bukaty Companies.

	Bukaty Companies	Current Broker
1. Does your current benefits consultant provide you a dedicated service representative to handle all of your employee claims inquiries, administrative matters and benefit questions?	☑	☐
2. Does your current benefits consultant conduct all new hire enrollments for you, and provide your employees with contact names, e-mails and phone numbers?	☑	☐
3. Does your current benefits consultant contact you at least 60 days prior to your renewal to initiate a comparative market analysis?	☑	☐
4. Does your current benefits consultant have the ability to provide you with a complete benefits and insurance package, including in-house FSA and COBRA administration, retirement plan consulting services, voluntary benefits and property & casualty services?	☑	☐
5. Does your current benefits consultant offer a no-charge HR Help Desk to address your compliance and human resources questions?	☑	☐
6. Does your current benefits consultant provide regular compliance updates and newsletters containing news and information on benefit trends?	☑	☐
7. Does your current benefits consultant provide free, monthly seminars on topics ranging from COBRA and HIPAA compliance to current health care trends?	☑	☐
8. Does your current benefits consultant offer in-house payroll and HRIS administration, as well as human resources management and consulting services?	☑	☐
9. Does your current benefits consultant provide customized benefit communication pieces and a benefit website for your employees?	☑	☐
10. Does your current benefits consultant provide wellness education and services?	☑	☐

If your current benefits consultant isn't providing all of the above services, you aren't receiving the most comprehensive benefit services available. For more information about Bukaty Companies services, call 913.345.0440 or e-mail bukatycompanies@bukaty.com.

ABC COMPANIES
&
BUKATY COMPANIES

4th Quarter Meeting 10/1/2013

2013-2014 Service Commitment & Performance Summary

Prepared by:
BUKATY COMPANIES
11221 Roe
Leawood, Kansas 66211
913.345.0440
913.345.2608
www.Bukaty.com

October 1st 2013

AGENDA

I. General Overview

II. Summary Review of Services & Service Performance

III. Review of Technology Resources and Compliance

IV. Current Market Overview & Long Term Strategic Planning

V. Reports & Exhibits

VI. Miscellaneous Issues & Discussion – Q&A

Attendees:	Bukaty Companies Attendees
John Doe	John Bremerman
Jane Doe	Mary Amundsen
Bob Doe	Shirley Lind

CONTENTS

Section I. .....General Information

Section II. .....Summary Review of Services

Section III. .....Review of Technology Resources

Section IV. .....Current Market Overview & Ongoing Strategic Planning

Section V. .....Reports & Exhibits

I. General Information

Our Commitment to Service

We appreciate the opportunity to work with, and help you meet your insurance and employee benefits objectives. In order to adapt to the changing needs of your organization, Bukaty Companies has invested in top-notch talent and leading-edge technology. We take nothing for granted, and will always work in the best interest of your Company.

Thank you for your business. We look forward to nurturing an ongoing relationship that brings you the best solutions in the business. We will continue to build our relationship through hard work, creativity, and assertiveness that effectively meets the needs of your business.

Bukaty Companies Account Service Team

All Bukaty Companies clients are assigned to a team of specialists who are dedicated to providing a wealth of resources to serve their needs. Our professionals pride themselves on excellent service, and are dedicated to using their experience and expertise to meet our clients' benefits objectives. Your account team's goal is to help save money through proper implementation and management of your benefits programs, and they are committed to anticipating and fulfilling your needs and concerns.

In addition to our own talented professionals and specialized value-added services, Bukaty Companies has a wealth of resources available to us through our national affiliations. The resources available to us through these affiliations let us gain access to regional expertise and market clout.

Ultimate accountability for your programs is the responsibility of Jeff Westmeyer, your lead Account Executive. While a number of our professional staff will be active with your account, either on a day-to-day or project-specific basis, Jeff is ultimately responsible for meeting your expectations.

Individual/Title	Functional Position
John Bremerman Phone: 913.345.0440 E-Mail: jbremerman@bukaty.com	John handles all reporting and analysis. Works with Jeff in maintaining the overall strategic plan.
Prudence Rexroat Phone: 913.345.0440 E-Mail: prexroat@bukaty.com	Prudence is your employee's primary contact. She is responsible for assisting employee with the day-to-day administrative and service issues
Shirley Lind Direct Phone: 913.345.0440 E-Mail: slind@bukaty.com	Shirley deals with all compliance and auditing from Humana Resource, Affordable Care Act, FMLA, and COBRA position

Summary of Current Programs

Health	United HealthCare	***12/1/2012-11/31/2013***
Dental	Delta Dental of Kansas	***12/1/2012-11/31/2013***
Life	Lincoln Financial	***12/1/2012-11/31/2013***
LTD/STD	Lincoln Financial	***12/1/2012-11/31/2013***

Note: *Detailed plan information is located in the* ***Reports & Exhibits*** *section of this report.*

Client History Medical Plan History

Effective Date of Change	Plan Change
12/1/2009	Moved to BCBSKC from UHC to be self-funded with like plan.
12/1/2010	Renewed with BCBSKC for a 6.9% increase added HSA.
12/1/2011	Renewed with BCBSKC for a 0.0% increase and contributed to the HSA.
12/1/2012	Renewed with BCBSKC for a 1.9% increase implemented Compass.
12/1/2013 (renewal)	BCBSKC has offered a .05% after negotiations.

II. Summary Review of Services Provided 2012-2013

	Current	Renewal	Negotiated	%increase	Savings
Medical	$3,523,125	$3,628,818	-5%	3.1%	
Dental	$251,853	$251,853	-2%	-2%	$24,429
Life	$92,888	$92,888	0%	0%	
LTD/STD	$154,561	$16,8471	-9%	0%	

Financial Information – 3 Year Cost Savings Summary on the Medical surplus

Annual Cost Savings 3 years – 2010 through 2013 = $1,235,500

Medical 2013 Highlights

- Implemented Compass with RX tool
- Decreased outpatient surgery deductible to drive utilization
- Waived in-network deductible for Radiology procedures performed at a free standing faculty
- Moved to online enrollment with video descriptions

2013 TOTAL MEDICAL SAVINGS IN RESERVES: $178,456

Prescription Drugs 2013 Highlights

- Walmart, Costco, Sam Club in-network pharmacy
- Implemented zero dollar generic
- Implemented web-based and app based savings tools

2013 TOTAL PRESCRIPTION DRUG SAVINGS IN RESERVES: $56,555

Life/AD&D 2013 Highlights

- Offered voluntary life insurance to offset group renewal
- Shopped carriers to negotiate the renewal

2013 TOTAL LIFE/AD&D SAVINGS: $0

Review of Projects & Services
Below is a list that highlights some of the specific projects that we completed for 2011-2012 in each of the categories.

- Implemented a events based wellness imitative 1/1/2009
- Moved to online enrollment 12/1/2009
- Changed the RX to Walmart only in-network driving down RX claims 23%
- Moved to Delta PPO network with a 99% reimbursement out of network.

III. Review of Technology Resources and Compliance

We use leading-edge technology to provide our clients with the latest data analysis, legislative, communication, and human resources administration tools. Using exclusive, Internet-driven applications, we provide our agency staff and our clients with unsurpassed efficiency and access to information.

Compliance Audits, Online enrollment, COBRA administration, Human Resource, Flexible spending accounts, and ACA.
Compliance audits and Human resource services available.

- ACA Health Care Reform.
- Benefit communications.
- COBRA administration.
- Employee benefits statements.
- Employee handbooks.
- ERISA compliance.
- Family Medical Leave Act (FMLA).
- HIPAA Compliance.
- On-line enrollment.
- Payroll Processing.
- Wellness programs.
- Annual HR audits

HR Functions Audit – Client History

Report #	Company Name	Division Name	Dates of Report	Completion Date
1	ABC Corp	Kansas city	1/1/2009-12/31/2009	1/15/2010
2	ABC Corp	Kansas city	1/1/2010-12/31/2010	1/17/2011
3	ABC Corp	Kansas city	1/1/2011-12/31/2011	2/2/2012
4	ABC Corp	Kansas City	1/1/2012-12/31/2012	1/21/2013

Compliance Audits annually

With our Human Resources department and compliance audits we can check and correct compliance issues.

- **HIPAA**
  - Portability mandates
  - Certificates of creditable coverage
  - Privacy
- **COBRA**
  - Compliance
  - Determining a qualifying event
- **FMLA**
  - Impact on disability plans
  - Impact on workers' compensation plans
- **ACA**
  - Employer mandate
  - Essential benefits
  - Variable hours employees
  - Pay or Play
  - Reporting
  - Taxes

Compliance Log – Client History

Report #	Company Name	Issue	Dates requested	Completion Date
1	ABC Corp	COBRA Compliance	11/8/2009	11/31/2009
2	ABC Corp	HIPPA Issue	1/15/2010	1/15/2010
3	ABC Corp	Sex Harassment Training	4/18/2010	5/1/2010
4	ABC Corp	Termination Issue	9/12/2011	9/12/2011
5	ABC Corp	HIPAA Issue	12/1/2011	12/2/2011
6	ABC Corp	Culture Training	3/04/2012	7/1/2012
7	ABC Corp	I-9 Audit	12/15/2012	2/12/2013

IV. Current Market Overview & Update on Strategic Planning

Market Overview & Update

We continue to see health insurance costs at our client firms rising at an average of 5%-20%. Consequently, a trend toward consumer driven health plans with more options becoming available is becoming prevalent. Over the next six to twelve months we expect trend to be running somewhere around 11%.

Strategic Planning

Careful strategic planning includes ongoing evaluation of your plan's characteristics to ensure a comprehensive and competitive benefit package is offered to your employees. We approach strategic planning by defining your objectives and developing an organized action plan based on meeting those objectives.

The complete action used to implement your employee benefits plans follows.

PLANNED ACTION	STATUS
1. Planning Phase/Meeting	
- Identify/introduce team members	
- Establish communication channels through company flowchart/contacts	
- Furnish list of all coverage lines and vendors	
- Determine objectives	
- Determine scope of project	
- Discuss timetable	
- Identify information needed for market specifications	
- Send Employee Benefit Data Request to main contacts	
2. Information Gathering	
- Review historical information in files	
- Determine missing information	
- Request missing information	
- Historical claims data	
- Summary Plan Description	
- Master Plan Document and Amendments	
- Rate, benefit and financial history	
- Develop benefit summary matrix (CRITICAL)	
- Review funding alternatives	

- Determine funding alternatives to include in market specifications	
- Discuss potential plan design changes	
3. Develop Vendor Bid Specifications	
- Inventory current services provided	
- Review contractual obligations of current vendors	
- Finalize list of desired vendor services	
- Determine other bidding requirements	
- Review any prior bid specifications	
- Draft/edit/refine	
- Meet to confirm market specifications	
- Prepare final specifications	
4. Vendor Solicitation	
- Identify vendors	
- Copy & mail our specifications	
- Answer vendor questions/provide additional information	
- Receive proposals	
5. Vendor Selection	
- Conduct preliminary review of proposals	
- Request clarification/missing information	
- Conduct reference checks	
- Evaluate proposals	
- Develop report & recommendations regarding finalists	
- Conduct onsite review of finalists	
- Evaluate results of onsite visits	
- Conduct rate negotiations with finalists	
- Review contracts of finalists	
- Negotiate contractual provisions	
- Select successful bidders	
6. Employee Communications	
- Review prior communications & current goals	
- Suggest theme & develop plan	
- Decide on approach/medium	
- Review draft text	
- Modify text as needed	
- Obtain input from successful vendors	

- Assist finalizing text	
7. Enrollment	
- Determine enrollment information needed	
- Facilitate arrangement to furnish enrollment data to vendors	
- Decide on billing format	
- Determine ongoing method for maintenance of eligibility information	

Ongoing Action items with implementation date to be determined:

- Create process for new hire packets.
- Aid in the management of the wellness fair and identify large claim health conditions and incorporate those conditions in the wellness fair to help decrease the lose ratio on the overall insurance plan.
- Find a solid long term solution to the COBRA administration issues.
- Look to review the employee handbook for all new compliance language.
- Have a pre-renewal meeting in August to get a game plan together for the medical, VSP, and Life renewal.
- Spousal Access Waiver
- Dependent audit

V. Reports & Exhibits

Summary of Benefits December 1st 2013-2014

Plan: Medical (Buy-up)
Carrier: United HealthCare
Policy No: 707145
Original Effective Date: December 1st
Renewal Date: December 1st

Benefit	In-Network	Out-of-Network
Deductible	$500/$1000	$1000/$2000
Out-of-Pocket	$3000/$6000	$6000/$12000
Lifetime Maximum	Unlimited	$1,000,000
Coinsurance	90%	70%
Emergency Room	$100 Co-pay	$100 Co-pay
Hospital (in-patent)	Deductible and Co-insurance	Deductible and Co-insurance
Hospital (out-patent)	Deductible and Co-insurance	Deductible and Co-insurance
Prescription Card	$100 deductible then 10/30/50	Not Covered
Office Visit	$20 Co-pay	Deductible and Co-insurance

Plan: Medical (Base)
Carrier: United HealthCare
Policy No: 707145
Original Effective Date: December 1st
Renewal Date: December 1st

Benefit	In-Network	Out-of-Network
Deductible	$1500/$3000	$3000/$6000
Out-of-Pocket	$3000/$6000	$5000/$10000
Lifetime Maximum	Unlimited	$1,000,000
Coinsurance	70%	50%
Emergency Room	$100 Co-pay	$100 Co-pay
Hospital (in-patent)	Deductible and Co-insurance	Deductible and Co-insurance
Hospital (out-patent)	Deductible and Co-insurance	Deductible and Co-insurance
Prescription Card	$100 deductible then 10/30/50	Not Covered
Office Visit	$30 Co-pay	Deductible and Co-insurance

Plan: Vision
Carrier: VSP
Policy No: 12249479
Original Effective Date: December 1st
Renewal Date: December 1st

Benefit	In-Network	Out-of-Network
Exam	$10	Up to $45 dollars
Prescription	$25	Lenses Single vision-up to $45 Lined Bifocal-up to $65 Lined Trifocal-up to $85 Frame-up to $47
Contacts	No co-pay applies	Contacts-up to $105
Time frame on exams	Every 12 months	Every 12 months
Time frame for lenses	Every 12 months	Every 12 months
Time Frame for Frames	Every 24 months	Every 24 months
Time frame for contacts	Every 12 months	Every 12 Months

Plan: Dental
Carrier: Delta Dental of Kansas
Policy No: 70194-0-0-22
Original Effective Date: January 1st
Renewal Date: January 1st

Benefit	In-Network	Out-of-Network
Deductible	$50/$150	$50/$150
Calendar year maximum	$1500	$1500
Oral Exams and cleanings	Once each six (6) months	Once each six (6) months
Diagnostic x-rays	Every 12 months	Every 12 months
Preventive (no deductible)	100%	100%
Basic (deductible applies)	80%	80%
Major (deductible applies)	50%	50%

Fast...Easy...Convenient

FSA Debit Card

Employees may elect to receive an FSA debit card at Open Enrollment. Selecting the debit card gives you access to all of your FSA dollars at the beginning of the plan year.

- No more paper claims submission
- Eliminates up-front out-of-pocket expenses per your employers plan design

The debit card benefit is only offered if your employer elects this option as part of the plan design.

NueSynergy Mobile App

The NueSynergy mobile app gives you on-the-go access to your FSA account balances and plan details. With the mobile app, you can:

- Review recent transactions
- Read all email and text alerts
- Submit claim documentation
- Contact NueSynergy customer service

Submit claim documentation simply by taking a photo.

Claims & Supporting Information

All documentation must show dates of service, services rendered and amount owed.

Expenses should be itemized on the claim form with copies of all receipts/documentation.

Submit all claim documentation through your NueSynergy Mobile App, your online portal, or by emailing, mailing, or faxing to NueSynergy.

The IRS requires participants to keep receipts of reimbursed expenses and FSA debit card transaction for seven years.

Access Your FSA Information Online
www.NueSynergy.com

General FSA Questions
Phone: 913.653.8381
Toll-Free: 855.890.7239
7:30 a.m. - 5:00 p.m. CST, Monday - Friday

FSA Email
customerservice@NueSynergy.com

FSA Fax
855.890.7238

NueSynergy
Administration Services
10901 Granada Lane, Ste. 100
Leawood, KS 66211
Phone: 913.653.8381
Toll-Free: 855.890.7239
Fax: 855.890.7238
www.NueSynergy.com

Flexible Spending Account

Increasing your take home pay has never been easier

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Customer Focused • Technology Driven

Know Your Options

Your Options

Depending on your plan design, you may want to participate in one or a combination of the available accounts within a Flexible Spending Account (FSA). Pre-tax contributions are made through regular payroll deductions and maintained in your FSA account. As qualified expenses are incurred, you are reimbursed from the account with your pre-tax dollars.

Option 1: Health Care Spending Account

Health care expenses that are not covered by insurance can be reimbursed through a health care spending account. Examples of qualified expenses include co-pays, deductibles, prescriptions, eye glasses or contacts, dental services, orthodontics and more.

Option 2: Dependent Care Spending Account

Dependent care costs for a child or adult can be reimbursed through a dependent care spending account. Both spouses or custodial parents must be employed and dependents must be:

- A child under age 13 or;
- A child, spouse or other dependent who is physically or mentally incapable of self-care and spends at least 8 hours in your household.

Option 3: Limited Purpose FSA

If you have a Health Savings Account (HSA), enrolling in a Limited Purpose FSA is a great way to save your HSA dollars. You can use your Limited FSA funds to pay for dental and vision expenses while conserving your HSA dollars for future medical expenses.

Option 4: Premium-Only

Employees can use pre-tax dollars to pay for their portion of many employer-sponsored health benefits including health, dental and vision.

Your Savings

Savings Add Up

The example below illustrates how this valuable benefit can result in significant savings. An employee earns $33,000 annually, which is $1,375.00 per bi-monthly payroll. This employee elects to contribute $1,200 annually or $50 per pay period (pre-tax) into the Health Care FSA to help cover any out-of-pocket medical expenses.

	Without FSA	With FSA
Gross Earnings	$1,375.00	$1,375.00
FICA, Fed/State taxes	$343.75	$331.25
Health Care Expenses	$50.00	$50.00
Net Earnings	**$981.25**	**$993.75**
Total Savings Per Paycheck		$12.50
Total Savings Per Month		$25.00
Total Savings Per Year	$0.00	$300.00

FSA Calculator

Want to see your savings potential with an FSA? Simply go to **www.NueSynergy.com** and click the calculator. Enter your data into the required fields so you can get a quick and easy look at your estimates savings.

Remember! These funds don't roll over year to year so plan accordingly!

Your Benefits

Covered Expenses

Medical

- Deductibles
- Co-pays
- Office Visits
- Prescriptions

Dental

- Routine Checkups
- Fillings/Crowns
- Orthodontics

Vision

- Exams
- Lenses/Frames
- Contacts
- Contact Solution
- Eye Surgery

Dependent Care

- Daycare Centers
- Before/After School
- Adult Daycare

Visit **www.irs.gov** for a complete list of eligible expenses.

Online WealthCare Portal

Employees will have their own FSA portal at **www.NueSynergy.com**. You'll have 24/7 access to detailed account information. You can:

- Check your balance
- View recent transactions
- Submit claims online
- Read all plan communications.

Human resource consulting services

Bukaty Companies works with our clients to ensure they are in compliance with the Department of Labor, OSHA, ERISA and other regulatory agencies. In addition to our value-added services, clients can receive dedicated support for specific projects through our in-house Human Resource Management & Consulting division. Projects fees are based on length, scope and type of project. We'll be happy to provide you a no-obligation proposal upon request.

Value-Added Human Resource Services

- HR Help Desk Topics
  - Family & Medical Leave Act (FMLA)
  - Fair Labor Standards Act (FLSA)
  - Performance issues
  - COBRA/state continuation
  - ERISA compliance
  - Form I-9
- Benefit Bulletins
- Carrier Notices
- News You Can Use Newsletter
- Power Lunch Seminars

Human Resource Management & Consulting

- Comprehensive HR assessment
- Employee relations
- Strategic management
- Job analysis & descriptions
- Recruitment & hiring
- Discipline & documentation
- New hire orientation
- Performance management
- Benefit management
- Policies & procedures
- Employee retention
- Employee handbooks & forms
- General compliance
- Manager and supervisor training
- Unemployment management
- Workplace safety

For more information on human resource consulting services, contact Shirley Lind, SPHR, CEBS, at 913.345.0440 or e-mail slind@bukaty.com.

Benefit Bulletin

Keeping Your Business Informed and Prepared

Carrier Notice

Keeping Your Business Informed and Prepared

News You Can Use

Summer 2011

News and Information to Better Manage Your Business

Upcoming Events

Creditable coverage notice is an annual CMS requirement

Inside this Issue:

Page 1

BUKATY COMPANIES

Expertise you experience

Better Your Business

2014 Seminar Schedule

May 14, 2014
HIPAA and HITECH: An Employer's Guide
Guest Speaker: Heath Hoobing, Seigfreid Bingham
Time: 9:00 a.m. – 10:30 a.m.

May 20, 2014*
Defined Contribution – A Future Funding Model
Speaker: Mike Bukaty/Jenny Day, Bukaty Companies
Time: 9:00 a.m. – 10:30 a.m.

June 17, 2014*
Consumer Engagement to Reduce Costs
Speaker: Mike Bukaty, Bukaty Companies
Time: 9:00 a.m. – 10:30 a.m.

July 9, 2014**
Aging and Its Financial Implications
Guest Speaker: Kathleen Pritchard, Legg Mason Global Asset Management
Time: 11:30 a.m. – 1:00 p.m.

July 16, 2014
Data Security and Privacy
Guest Speakers: Bill Thompson & Steve Campbell, Oppor Infrastructure
Time: 9:00 a.m. – 10:30 a.m.

August 13, 2014
ACA Impact on HSAs and HRAs
Speaker: Josh Collins, NueSynergy
Time: 9:00 a.m. – 10:30 a.m.

August 27, 2014
Employee Navigator: Simplify your Benefits Enrollment Process
Speaker: Jennifer Day, Bukaty Companies
Time: 9:00 a.m. – 10:30 a.m.

August 21, 2014*
Managing Your Business Risk
Speaker: Bukaty Companies
Time: 3:30 p.m. – 5:00 p.m.
Special Location: Prairie Fire Museum

September 10, 2014
Managing Workers' Comp Insurance Costs
Speakers: TBD
Time: 9:00 a.m. – 11:30 a.m.

September 24, 2014
Employee Handbook Workshop
Speaker: Shirley Lind, Bukaty Companies
Time: 9:00 a.m. – 11:30 a.m.

**Part of the creative cost-savings strategies seminar series.*
***Presented by Bukaty Companies Financial Services and Legg Mason Asset Management.*

View the most up-to-date seminar details and register online at bukaty.com or contact Laura Berry, 913-345-0440.

Bukaty Companies
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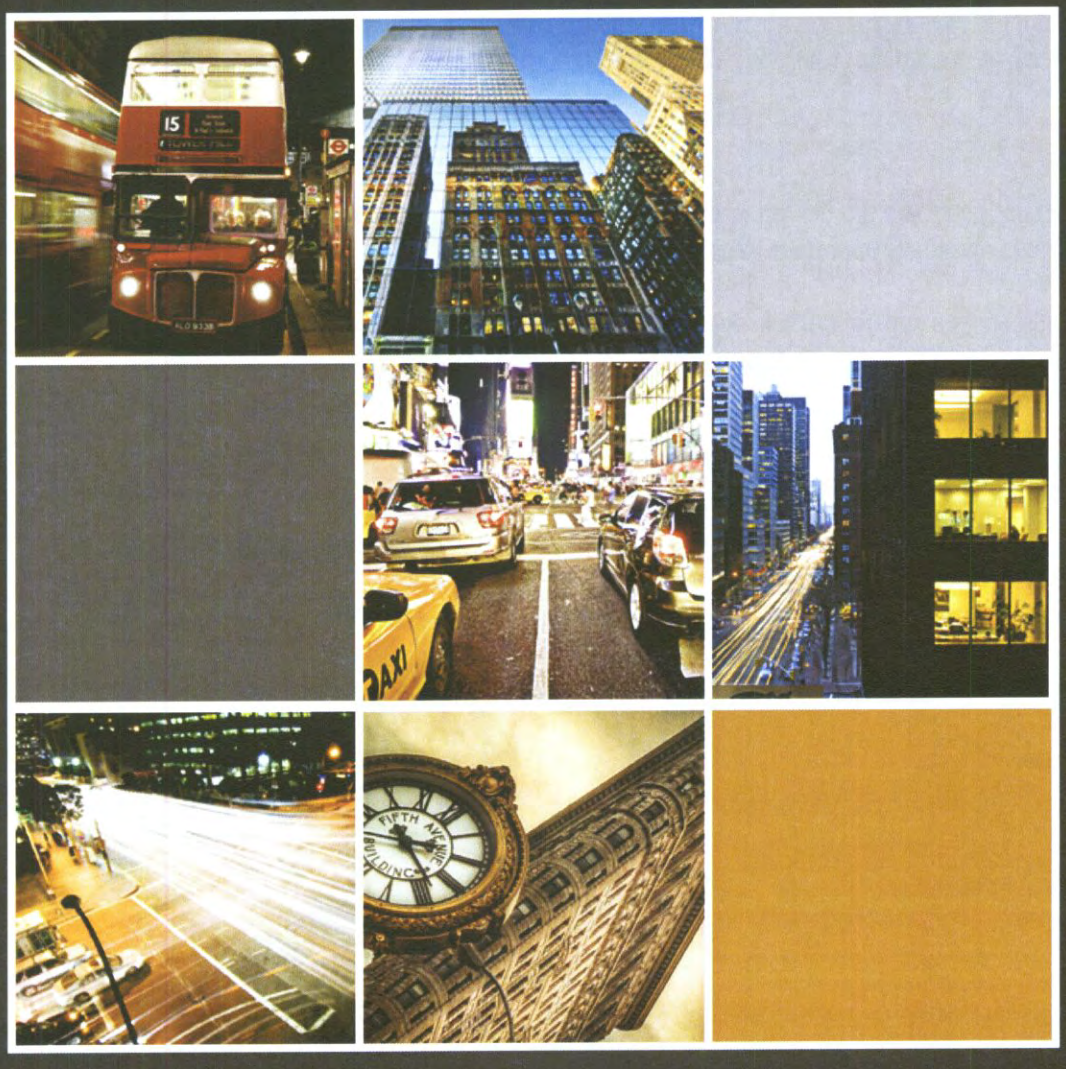
Leawood, KS 66211
Phone: 913.345.0440
www.bukaty.com

BUKATY COMPANIES
Expertise you experience



2014 Benefits Guide

Welcome

Team:

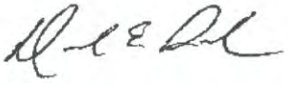
Our employees continue to be the driving force behind our success. We are proud that you are part of our family and your benefits program is extremely important to us.

Our program represents a substantial financial benefit to our employees and their families. We are pleased to make this significant investment and it is our pleasure to offer our benefit-eligible employees a variety of solutions to help address their needs. We are also extremely happy that we are able to offer medical, dental, vision, life, and short term disability insurance free of charge for our employees again this year.

To help you understand the richness of our plans, your coverage options, and how the plans can best serve you and meet your needs, we have prepared this Benefits booklet for you to review and have as a reference.

Thank you for your ongoing commitment as we continue to strive to be the best employer in our industry.

Sincerely,



Dan Reed
CEO

WHAT YOU SHOULD KNOW ABOUT YOUR BENEFITS:

Eligible employees are those SAMPLE United States employees working on average 30 or more hours per week.

You have the option to enroll under the SAMPLE Employee Health Care Plan. The plan has been contracted with a managed care network or networks of medical providers whose members have agreed to charge the plan reduced or discounted amounts for covered services provided to eligible persons. Although you have the freedom to choose to receive care from any physician, hospital, or other medical provider, as a general rule, the amount or percentage of an otherwise covered expense payable by the plan will vary depending on whether the provider from whom you received your care is a member of the plan's PPO network(s). Generally, the plan will pay a higher percentage of a covered expense if the care is received from a network provider. Thus, in order to receive the highest benefit level, medical services and supplies should be received from a network provider.

Your SAMPLE Health Plan ID card will contain a toll-free phone number and/or a web site you can use to obtain information about the health care providers who are members of the provider network(s).

This information is intended for all employees, as well as their spouses and dependents, who are enrolled in the SAMPLE benefits plan.

Table of Contents

2014 Plan Overview 4
Wellness Program 5
HRA 8
2014 Benefit Plans 11
Medical 12
Dental 15
Vision 16
Life/Short Term Disability 17
Long Term Disability 18
Voluntary Life 19
Voluntary Products 20
Flexible Spending Account 23
Employee Assistance Program 25
401K 27
Beneficiary Form 28
Rights & Disclosures 29
Bukaty Service Team 34
Contact Information 35

2014 Plan Overview

SAMPLE is offering the same great benefits in 2014, including FREE coverage for Employees and a substantial subsidy for dependent coverage. Based on employee only $1,000 coverage with $50,000 annual salary.

Cost Breakdown		
Benefit	Employee Contribution	SAMPLE Contribution
Medical	$0	$349.90
Dental	$0	$28.30
Vision	$0	$6.32
Life	$0	$10.50
STD	$0	$3.29
Total Monthly Expenses	$0	$398.31
Total Yearly Expenses	$0	$4,779.72

Because our premiums are tied directly to our healthcare expenditures throughout the year, SAMPLE is implementing three new exciting programs to help all of us manage our healthcare dollars. We are providing you with the tools to get healthy and stay healthy!

New in 2014!

Wellness Program

Promoting and maintaining a healthy daily regimen is key to reducing your out of pocket healthcare costs. By participating in wellness programs and knowing your numbers, such as glucose and cholesterol, you can make the necessary changes in your lifestyle to live a long and healthful life.

Health Reimbursement (HRA)

A Health Reimbursement Arrangement is an employer-funded spending account that can be used to pay for qualified medical expenses. By working in partnership with SAMPLE to manage your healthcare dollars, we are confident that this will support your efforts to become a better consumer of your medical care.

COMPASS

Being a wise and knowledgeable consumer is the first step. COMPASS, an online comparison tool, can assist you in finding the best and most reasonable care in your area.

Wellness Program
Living a Healthy Life

NEW

We want you to become an Empowered Healthcare Consumer and we are willing to pay you do it!

What is an Empowered Healthcare Consumer? It is someone who makes their healthcare choices based on information rather than impulse. A person's initial natural response to pain is to find a way to stop the pain as quickly as possible. This leads people to rush to the nearest emergency room for medical care. For most situations, that is not the best medical care choice. Empowered Healthcare Consumers will make better, balanced choices that take into consideration not only their physical well-being but also their financial health.

With the rising costs of healthcare and health insurance, new ways to control or curb these increased costs are being implemented at unprecedented rates. Consumers who have the tools to make intelligent choices about their health will make better, more value-conscious healthcare decisions. By having access to such things as your base-line numbers like cholesterol and glucose and strategies to find the best possible care at the lowest price, you will be equipped to tackle the rising costs of healthcare with a solid information base. You can put yourself in the right position to receive the right care.

We are providing you with those tools:

- Wellness Program
- Health Reimbursement Account
- COMPASS

Beginning in 2014, as a means to enrich the higher deductible plan and help offset the difference in deductibles, we are offering $700 towards your Health Reimbursement Account (HRA) per plan year.

The Wellness program is a free tool for you to use to make healthy lifestyle changes. You (and your covered spouse) can be as involved as you would like. There are financial rewards for full participation. We will send out the rewards details after enrollment. To qualify for the HRA fund attached to the $1000/$3000 medical plan, you only need to complete the two steps described in this booklet.

Please note that if you are covering your spouse on your plan, they will also be required to take part in the biometric screening and health risk appraisal.

Two parts to receive the HRA:

Part 1:

Receive a fasting biometric screening test with an in-network provider that includes:

a. Height/Weight
b. Blood Pressure
c. Total Cholesterol
d. Triglycerides
e. Cholesterol Ratio
f. Glucose

Have your physician complete the Alternative Means Screening (included in this packet) to confirm your wellness visit. Current employees should fax this form to Blue Cross and Blue Shield by January 31, 2014 to participate in the $700 HRA incentive. New employees must fax the form by the first month you are enrolled in medical insurance in order to be eligible for the $700 HRA incentive.

Part 2:

Complete your online Health Risk Appraisal at www.bluekc.com/home. See the instructions on page 6 of this document.

** The data collected at these visits will be kept confidential and will only be used in aggregate reporting which will assist us in comparing our group's health risks on an annual basis.

Wellness Program
Part 1: Physician Health Screening Instructions

NEW

As part of a comprehensive wellness program we are encouraging our employees to get a preventive wellness checkup with their physician. As part of this visit, we ask that your physician provide coaching and education based upon your individual results of this exam. Our hope is to increase knowledge and awareness of general healthy lifestyles and encourage positive behavior change for our employees.

This exam should be covered as a preventive wellness service under your medical plan. Please ensure that your physician's office codes this visit as a preventive well visit so that you will not be charged.

By following the process below and faxing the completed form to Health Fitness Corporation (Third Party Vendor) at 866-698-9924 by the deadline you will be eligible to participate in the HRA. We ask that you use the ALTERNATIVE MEANS SCREENING FORM provided on BlueKC.com because it will be pre-populated with your member information and assist with data input. Remember, your individual screening values will not be shared with your employer.

Online Instructions

1. Make a health screening appointment with your doctor to check the following:
   - Height
   - Weight
   - Glucose
   - Blood Pressure
   - Total Cholesterol
   - Cholesterol Ratio
   - Triglycerides

2. On BlueKC.com click LOG IN button in the upper right hand corner of the screen, and enter your Username and Password. If you are a first time visitor, click REGISTER. Please have your Member ID Card available to reference.

3. Once logged in, click on "MY HEALTH TOOLS"
4. On the next screen, click on ALTERNATIVE MEANS SCREENING FORM.

5. Simply print the form, have your doctor complete ALL fields and fax to the number listed on the form. Please remember if any items are left blank or unsigned by your doctor, this form will be considered incomplete.

If you have trouble please contact the Blue Cross Blue Shield of Kansas City's staff at 816-395-2121 (select option 3) between 8 a.m.-5 p.m., Monday-Friday, Central Time.

If it is unreasonably difficult, due to a medical condition, for you to achieve the standards of the reward under this program, or if it is medically inadvisable for you to attempt to achieve the standards for the reward under this program, contact Bukaty Companies Wellness Manager , Slayton Rous at 913.345.0440 and we will work with you to develop a reasonable alternative.

Wellness Program
Part 2: Online Health Risk Appraisal

NEW

Most people complete the confidential questionnaire in about 15 minutes. Immediately after completing the questionnaire, you will receive a summary report of your current health status.

Taking Your Online Health Risk Appraisal

Use the Health Risk Appraisal results as a guide to becoming A Healthier You™. Also, be sure to review them with your doctor at your next appointment.

1) Visit bluekc.com/home, click on MEMBERS in the top left corner.
2) To login type your Username and click the LOG IN button, proceed to ENTER YOUR PASSWORD and click CONTINUE. (Skip to step 8) If you are a first time visitor, click on REGISTER NOW and follow steps 3-7. Please have your Member ID Card available for references.
3) Create Username and Password.
4) Choose Security Image and Title.
5) Choose Challenge Questions.
6) Confirm .
7) Click on "GO TO YOUR MEMBER HOME PAGE."
8) Once logged in, click on "A HEALTHIER YOU", under HEALTH & WELLNESS.
9) Scroll down under "Get Involved"
10) Click "Take the Health Risk Assessment and follow the directions.
11) Once you have answered all of the questions, click "Continue." On the next page click "Submit" to save and finish your Health Risk Appraisal. Do Not Skip This Step.

Having Trouble? Our staff can help. Call A Healthier You at 816-395-2121 between 8:00 a.m. & 5:00 p.m., M- F, Central Time.

NEW

Health Reimbursement Account (HRA)

A health reimbursement arrangement (HRA) is an employer-funded spending account that can be used to pay for qualified medical expenses. The HRA is 100% funded by SAMPLE. The contribution amount per employee is set by the company. The terms of this arrangement are listed below:

- The $1000 Medical Plan is the only plan eligible for HRA reimbursement.
  - In order to qualify for the HRA reimbursement you (and your spouse if covered by the SAMPLE medical plan) must participate in the Wellness Program.
- The first $300 of your deductible is paid by you
- The remaining $700 of the $1000 deductible is paid by SAMPLE
- Each individual in the family will be eligible for up to $700 in deductible assistance
  - $700 is the maximum that each family member qualifies for
  - A family is defined as the EE plus 2 dependents. There is a $2100 maximum per family unit
- The HRA monies will be applied towards deductible expenses only.

Annual HRA Contributions	Employee Only	Employee +1	Employee + 2 or more
SAMPLE Contribution	$700	$1,400	$2,100

Frequently Asked Questions

Q. How is the family deductible paid out by Blue Cross?
A. The deductible is not paid by Blue Cross, but is, rather, your responsibility. The individual deductible is $1000 and the family deductible is $3000. However, this is an embedded plan; meaning that no one person in the family pays more than $1000 and no one family pays more than $3000. Once 3 family members reach the total $3000 deductible, no more deductible would apply to any remaining family members.

Q. But what if there are more than 3 people in my family?
A. The maximum amount of HRA monies that your family is eligible for is $2100 regardless of the number of family members you have.

Q. What if I have four people in my family, (me, my spouse and 2 children) my spouse and I have met our $1000 deductible and then my two children have to use their deductible. How will the HRA pay out in that event?
A. Once two deductibles have been met, the third additional deductible is shared. In other words, if Child A uses $400 of his deductible and Child B uses $500 of her deductible. You will pay $300 for Child A, the HRA will pay the remaining $100 of Child A's deductible and Child B's $500 deductible will be covered by the HRA.

Q. What is the difference between an HRA and a PPO?
A. There is no difference between an HRA and a PPO. The $1000 plan that is being offered is both. PPO describes the type of medical coverage and network accessibility that you have. HRA describes the type of reimbursement arrangement that you have between SAMPLE and yourself.

Q. Can the $700 go towards copays, coinsurance and/or other medical expenses?
A. No, the $700 is for deductible assistance only. You will still be responsible for any copays, coinsurance and other medical expenses incurred.

NEW

Health Reimbursement Account (HRA)

How your HRA Works

To understand why the HRA is a more cost effective medical plan and why you will save money, please see the example below.

Nancy leads a very active lifestyle. She usually goes to her Primary Care Physician (PCP) once a year for her routine physical and recommended screenings. But, she spends a lot of time in the sun so in January at her annual physical, her doctor recommended that she have some moles removed from her back. She had an outpatient service at his office in February. The following is an estimate of Nancy's out-of-pocket costs:

	PPO Plan $300 Deductible	HRA Plan $1,000 Deductible
1. PCP Visit		
a. Total Cost	$100	$100
b. Nancy's Cost**	$0 Copay	$0 Copay
c. BCBS Paid	$100	$100
2. Outpatient Surgery		
d. Total Cost	$3,000	$3,000
e. Deductible/Copay Paid by Nancy	$300	$300
j. SAMPLE HRA Contribution	$0	$700
f. Coinusurance Paid by Nancy - 80%	$540	$400
g. Amount Paid by BCBS	$2,160	$1,600
3. Total Out-of-Pocket paid by Nancy	$840	$700
Summary of Nancy's Costs		
h. Medical Expenses	$840	$700
i. Annual Premium	$1,418	$0
Nancy's Total Cost	$2,258	$700
Remaining HRA Balance	$0	$0

**Routine preventive care is covered at 100% with no copayment

COMPASS

NEW

COMPASS Professional Health Services

Your personal shopping resource

Being a smart consumer of your healthcare decisions will put money in your pocket. Shopping for quality, inexpensive health care services is key to being a shrewd buyer.

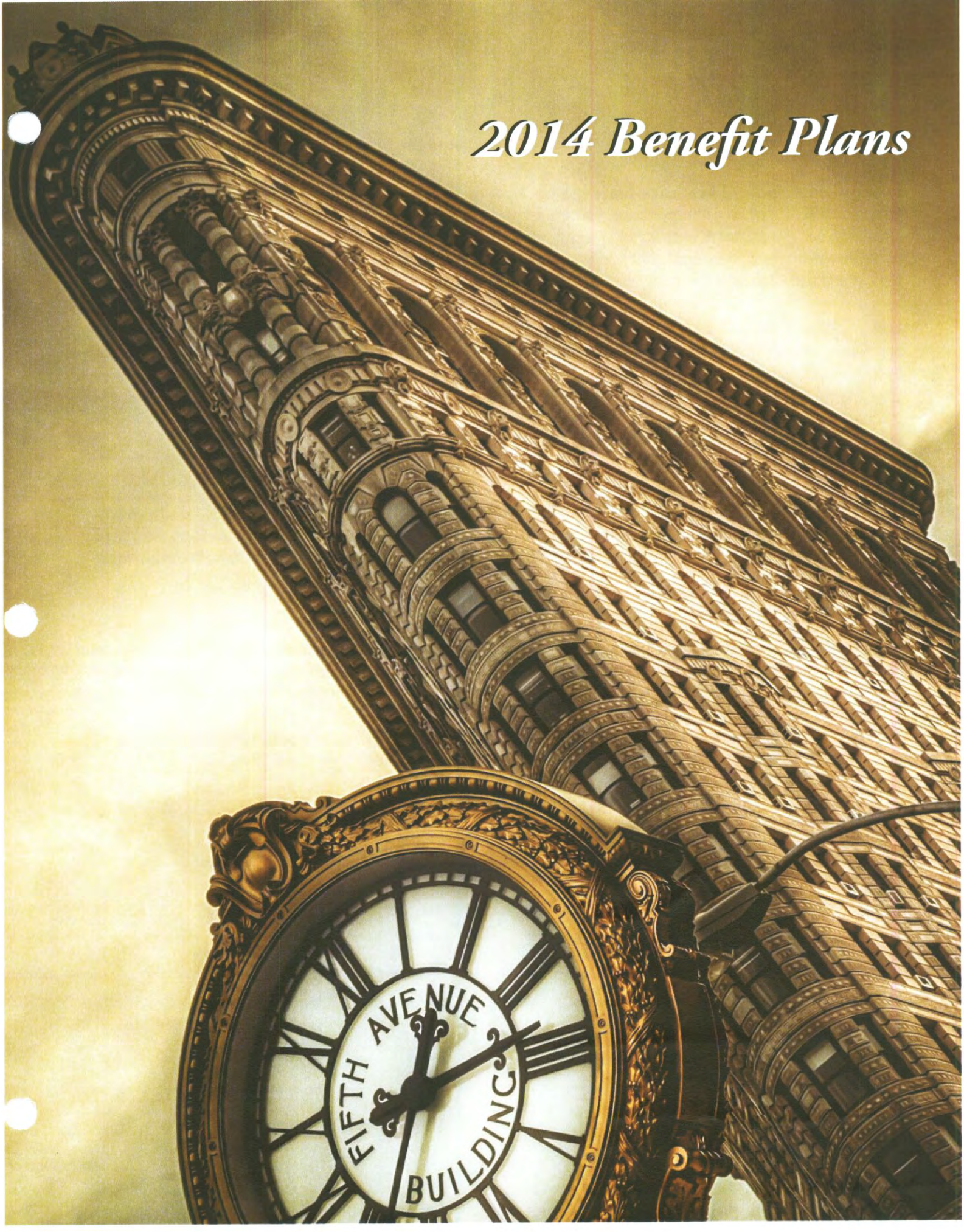
We can help you do that!

- Unlimited access to a healthcare expert
- Unbiased doctor recommendations
- Hospital cost and quality information
- Straight answers about your benefits
- Bill reconciliation
- Insider information on saving money
- Complete advisor for your healthcare

COMPASS has created the following guide to help you understand how much healthcare costs can vary in your area. Don't get overcharged – always contact a Compass Health Pro (1-800-513-1667 or answers@compassphs.com) for cost comparisons before scheduling health services.

Healthcare Services	Average Cost	Can be as high as
Specialist's Office Visit	$193	$251
Tissue Exam (pathology)	$284	$755
MRI	$1,370	$4,631
Colonoscopy	$2,147	$4,661
Disc Surgery	$7,137	$28,545

2014 Benefit Plans



Medical: Blue Cross and Blue Shield

Blue Cross and Blue Shield Association has been a trusted company for over 80 years. Blue Cross and Blue Shield is accepted by 92% of all primary care doctors and specialists nationwide. Providing local solutions that improve access to affordable, quality healthcare, each of the 37 independent and locally operated Blue Cross and Blue Shield companies deliver health insurance coverage for 100 million members across all 50 states, the District of Columbia and Puerto Rico. Their International Network is second to none. So, wherever you are traveling you are close to care.

Is my doctor in the Blue Cross and Blue Shield provider network?

Blue Cross and Blue Shield boasts the biggest network in the United States and throughout the world. You can easily check their Provider Directory for your network on the Web site to see if your doctor is participating. Please note: Healthcare providers are subject to change. Always verify your provider's participation before you receive care.

Generic vs. name brand?

Your medical plan includes prescription benefits

Generic alternatives can be anywhere from 10% to 80% lower than a name brand prescription. This means your co-pay for a generic prescription could potentially be $25 to $40 less than a name-brand drug. Every dollar saved on the cost of prescription drugs, can help lower your group health insurance cost. Ask your doctor if a generic alternative is available before you fill a prescription.

Your Benefits

You are eligible for benefits on the first of the month following date of hire or if you are hired on the 1st of the month, you are eligible immediately. Eligible dependents may also participate; eligible dependents include your legal spouse and/or dependent child(ren) age 26 and under. (26 year old dependents are covered until the end of the year in which they turn 26)

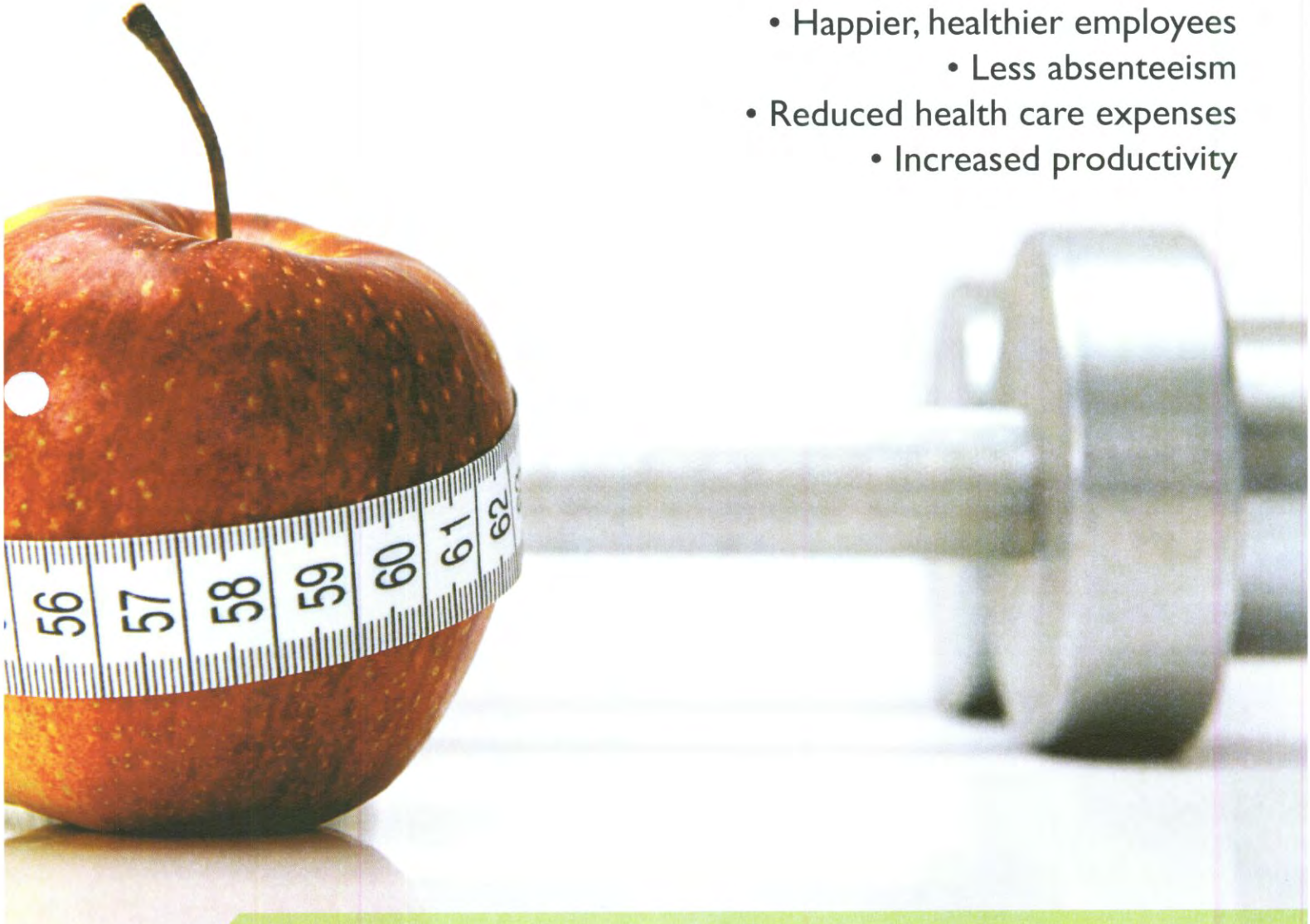
For questions concerning your medical benefits, a claim, to identify a network provider, or questions concerning your prescription drug coverage please contact BlueCross BlueShield at 888.989.8842 or visit www.bluekc.com.

Wellness At Work

BUKATY COMPANIES
Expertise you experience

How will wellness benefit you?

- Happier, healthier employees
- Less absenteeism
- Reduced health care expenses
- Increased productivity



How we can help:

As a leading employee benefit consultant for nearly 25 years, we'll customize a plan to help your employees make healthier lifestyle choices and create positive, lasting effects.

Problem: Declining Health and Rising Costs

The United States spends more—*about $750 billion more*—on health care than any other nation. Poor health choices make employees less productive on the job today and can lead to greater health risks and chronic diseases in the future. Implementing a wellness plan, and providing employee health screenings and education about managing health issues, can help reduce costs.

7 Common Chronic Diseases

- Cancer
- Heart disease
- Diabetes
- Arthritis
- Obesity
- Oral Health
- Stroke

About 133 million Americans—nearly 1 in 2 adults—live with at least one chronic illness.

According to the Centers for Disease Control, four modifiable health risk behaviors are responsible for much of the illness, suffering, and early death related to chronic diseases:

- Lack of physical activity
- Poor nutrition
- Tobacco use
- Excessive alcohol consumption

Solution: Employee Health Management

Motivating and sustaining health behavior change is the key to improving employee health and controlling health care costs. A workplace-sponsored wellness program can reduce health risks that can lead to disease. The Bukaty wellness team can design and implement a program that will fit your needs, employees, and workplace environment.

Lower obesity rates alone could produce productivity gains of $254 billion and avoid $60 billion in treatment expenditures per year.

$1 today on

=

$3-$5 average return within 5 years*

**American Institute of Preventive Medicine*

What's the real cost?

Heart Disease

$38,501 = Average cost for an individual in the first 90 days following a heart attack

$14,000 = Hospital bills in the year after the heart attack

$67,583 = Average cost of a coronary bypass

Diabetes

$13,700 = Average annual medical expenditures for someone who is diabetic.

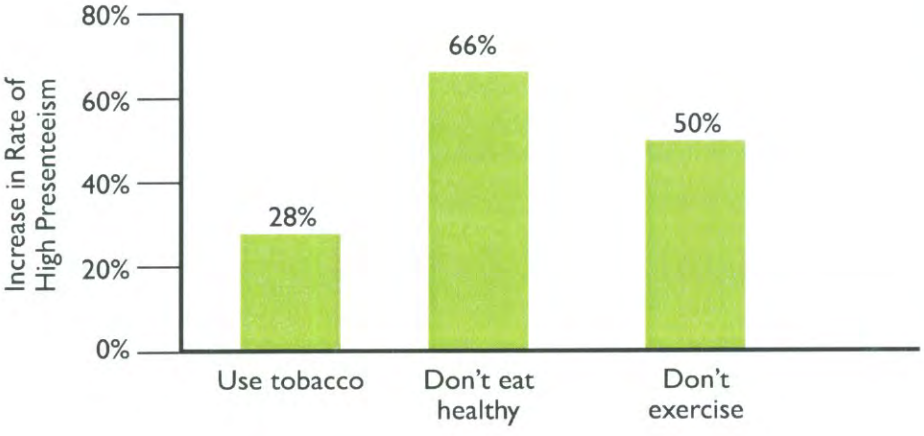
Tobacco Usage

$1,700 = Excess medical expenditures versus a non-tobacco user

$1,760 = Lost productivity per year

Presenteeism: the practice of coming to work despite illness, injury or anxiety often resulting in reduced productivity.

Employees with unhealthy habits have increased rates of high presenteeism



Source: Journal of Occupational and Environmental Medicine

By promoting smart use of medical plans, medical consumerism, and disease prevention, we can begin to measure cost savings.

How we can help.

Studies show that by offering incentives and rewards, employees are more likely to change behavior. To encourage positive change, employers can offer healthy lifestyle discounts, discounted insurance premiums, and fitness rewards. However, rewards linked to achieving a health standard must comply with HIPAA regulations. We will help you design incentives that inspire your employees and meet the regulations.

We know employees are three times as likely to take action to improve their health when a company has a strong culture of health. To be successful, your wellness program must be tailored to your workforce and environment, be creatively marketing and embraced by top management.

Bukaty will help in all these aspects—meeting with you with to assess current needs, to design a wellness plan, and then to implement it and evaluate its success.

Return on Investment (ROI)

A successful wellness program will have visible results. Bukaty Companies will develop metrics to measure awareness, engagement, participation and satisfaction across all wellness initiatives. This step ensures that your resources are well-spent, and your goals are being met.

How we measure ROI:

- Employee participation
- Employee satisfaction
- Behavior change
- Productivity metrics (absenteeism, morale, job satisfaction)
- Claims data (indicative of future spending)

Companies with a strong culture of health have better financial outcomes and lower employee turnover rates.

Bukaty Wellness Services

4 Step Approach

Creating a customized wellness program
that will fit your unique workplace environment.

Step One: Assessment

- Gain support from upper management
- Evaluate worksite culture
- Survey employees to gauge interest and health risks
- Conduct a modifiable claims analysis

Step Two: Planning

- Form an onsite wellness committee
- Outline measurable goals and objectives
- Create qualitative and quantitative measures
- Set a budget for the wellness program

Step Three: Implementation

- Roll out healthy lifestyle discount
- Engage health insurance carrier wellness resources
- Coordinate biometric screenings

Step Four: Evaluation

- Conduct a biometric analysis
- Review program success
- Calculate ROI

Bukaty Wellness Services

Along with our years of experience, we have the resources that will inspire and challenge employees to make healthy changes.

Biometric Screening & Health Assessments
- Fasting and non-fasting
- Venipuncture and finger stick
- Online and paper sign up
- Employee participation report
- Employer aggregate report

Health Contingent Program
- Premium differential
- Health outcomes and activity-based
- HIPAA guidelines
- Employee communication and tracking

Tobacco Cessation Programs
- Coaching
- Resources
- Testing

Disease and Medication Management
- Diabetes
- Medication adherence programs
- Registered nurse and dietician coaching

Health Promotion Programs
- Weight loss programs
- Designed challenges
- Multimedia communications
- Healthy food vendors
- Ergonomics

Onsite Health Professionals
- Clinicians
- Physical therapists
- Fitness and nutrition professionals

Health 2.0
- Wellness portals
- Social media platforms
- Tracking devices
- Gamification

GYMPACT INCENTIVIZE YOUR EXERCISE

myfitnesspal

Fooducate eat a bit better™

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Expertise you experience

11221 Roe Ave. Ste. 200 | Leawood, KS 662211 | 913.345.0440

www.bukaty.com | wellness@bukaty.com

BUKATY COMPANIES

Service is your first benefit

RENEWAL PROCEDURES

FOR INTERNAL USE ONLY

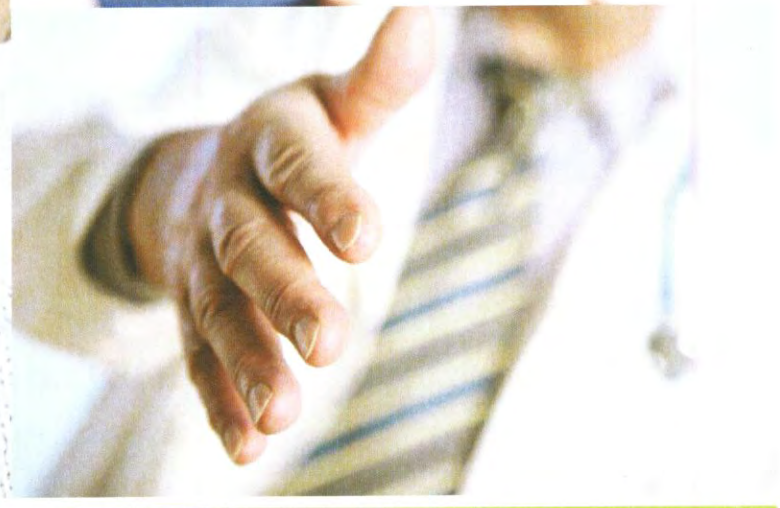
MARKETING RENEWALS:

- ***180 Days from renewal:***
- Request most recent copy of current carrier bill.
- Send out for current carrier bill 180 days prior to renewal.
- Use last year's census and create a new census with all EE's listed on current bill. If EE's are on the old census, but not on current bill, leave them off the census until we have researched our files, system database etc. to see if they are terminated EE's or on COBRA through contact with our COBRA department.
- Contact group to confirm census is correct and have them add any waivers or any new hires prior to renewal date that we are unaware of.
- Follow up with client on this census information until we receive the data needed. Should follow up in 1 week, then the next 4 days, then the next 2 days. If no response after 3 attempts, representative will get involved.
- 180 days prior to renewal. Upload data to Decision Master Warehouse.
- Develop a marketing folder by creating a report on Bukaty database.
- Determine appropriate stop-loss venders based on the size of group.
- Set pre-renewal meeting with the client.
- Quote Dental and other Ancillary lines by emailing out to Ancillary reps in an RFP format. Follow up if emailed will take place 1 week after emails have been distributed.
- **150 days from renewal:**
- **Set renewal meeting.**
- Send out completed EasyApps to the Carriers 60 days PRIOR to Renewal
- Data on RFP sheet consists of:
  - Client address, contact, phone & fax numbers
  - Renewal or effective date
  - Current Carrier
  - SIC code/Industry
  - Current Plan Design or benefits requested (coinsurance, deductibles, co-pays). *Should match current plan design unless indicated differently by rep.*
  - Complete census data (gender, date of birth, address, salary, occupation, coverage election and out of area employee information.)
  - Claims experience
  - Submission to the providers with detailed analysis on current claims.
- Retain all information obtained from client and other carriers in marketing folder
- Start renewal spreadsheet.
- All information to all carriers no later than 150 days prior to renewal.

MARKETING RENEWALS CONTINUED:

- ***120 Days from renewal:***
- Spreadsheet should consist of percentage increases, expected rates and maximum allowable rates. All carriers are included whether they prove competitive or not.
- New Business person must set client meeting 120-90 days prior to renewal.
- After employer meeting follow-up with carriers, finish all negotiations and be prepared to implement 60 days prior to renewal.
- Print a color spreadsheet for presentation(s) along with all presentation information as well.
- New Business Information/Proposal Info. consists of:
  - Cover page with Client name and address along with producer's name and renewal date.
  - "Our Team" picture/bio sheet for appropriate working agent
  - "Our Team" contact information sheet for appropriate working agent
  - "Summary of Services" sheet
  - "Hospital Network Comparison" sheet
  - Payroll Services - (only applies to medical groups with 15+ employees)
  - Wellness data (current and historical)
  - Transparency date
  - DMW claims analysis
- New Business person to prepare presentation(s) by binding accordingly
- ***90 Days from renewal:***
- Complete and print employee communications for the new benefits year.
- Update online enrollment information.
- Prepare and distribute termination letters.
- Prepare enrollment material and set meetings
- ***60 Days from renewal:***
- All plans are selected and ready for implementation.
- Communication pieces are distributed.
- All files are updated and carrier policy numbers are issued.
- Open enrollment meetings are conducted.
- Prepare the deductible credit report (if applicable).
- ***30 Days from renewal:***
- Double check carrier's enrollment numbers compared to our information.
- Track ID cards.
- Conduct any Follow-up enrollment meetings.
- Prepare the WRAP and SPD documents.
- Upload 5500 data.
- Submit ACA form 6055 and 6056.

- ***Post renewal:***
- Update our files.
- Order first bill to verify enrollment.
- Set post renewal meeting with the client.
- Update deductible credit report.
- Verify terminal liability.
- Submit final upload for Decision Master Warehouse with plan year claims run out.
- Update business plan.
- Set internal post renewal meeting with all team members on the account.
  - Account Managers
  - Account Coordinators
  - Health Producer
  - Wellness Manager
  - Health Care Reform Account Manger
  - Humana Resources consultant
  - COBRA/FSA/HSA administrator
  - Payroll (if applicable)
  - 401k producers and account manager (if applicable)



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- Obtain Medical Records

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- Review of Bills and Charges

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professional health services

BUKATY COMPANIES

BukatyMarketplace
Coverage for individuals

Bukaty Companies recognized for business excellence

May 29, 2014

In celebration of Business Appreciation Month in June, the Kansas Department of Commerce is recognizing outstanding businesses. Bukaty Companies is pleased to announce a place among the honorees.

Businesses from across the state of Kansas were nominated in four categories: manufacturing/distribution, service, retail, and hospital/nonprofit.

Bukaty Companies won in the service category for the East Central region and was one of 24 Kansas businesses to receive a Regional Business Excellence Award.

Katie Savage, Accutype Medical Services (http://www.accutype.com/), in Overland Park, Kansas, nominated Bukaty Companies for the award.

"We've been Bukaty customers for almost 10 years," Katie said. "We use them for everything – our commercial insurance, 401K, health insurance and payroll. I just think of them as part of our team; everyone we work with has the same attitude of service. It makes our bottom line better because we work with them."

The Kansas Department of Commerce announced the 2014 award winners, 24 Regional and 76 Merit Award winners, May 29, 2014.

"The businesses honored during Business Appreciation Month have made outstanding contributions to our economy and their communities," Kansas Commerce Secretary Pat George said. "These businesses are investing and hiring in Kansas and as a result our state is enjoying strong job growth and a vibrant economy."

For a full list of Kansas Business Excellence Award winners, visit KansasCommerce.com/BAM (http://www.kansascommerce.com/BAM). For more about Bukaty Companies, call 913-345-0440 or visit Bukaty.com (http://www.bukaty.com/).

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