



RESPONSE TO REQUEST FOR PROPOSAL

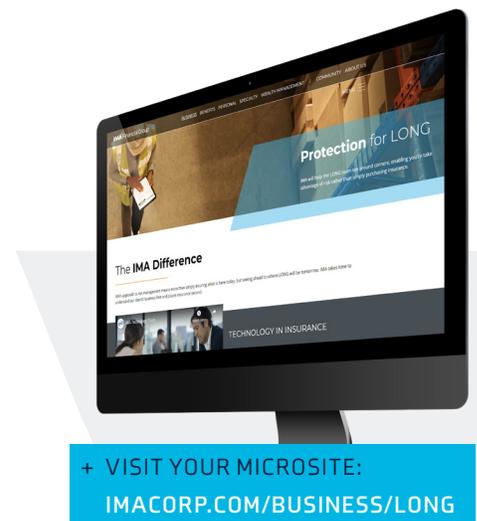
to provide EMPLOYEE BENEFITS BROKERAGE + CONSULTING SERVICES

MARCH 10, 2022



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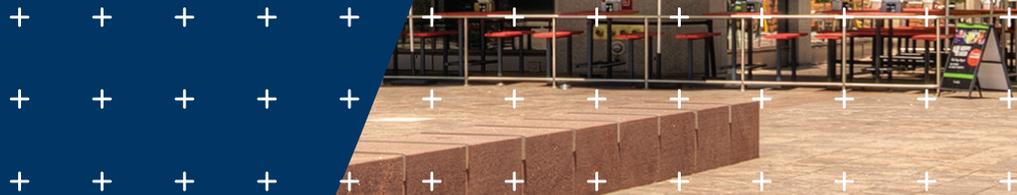
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General



1. Briefly describe your company in terms of size, location, and a description of your organizational structure and core business.

IMA HISTORY

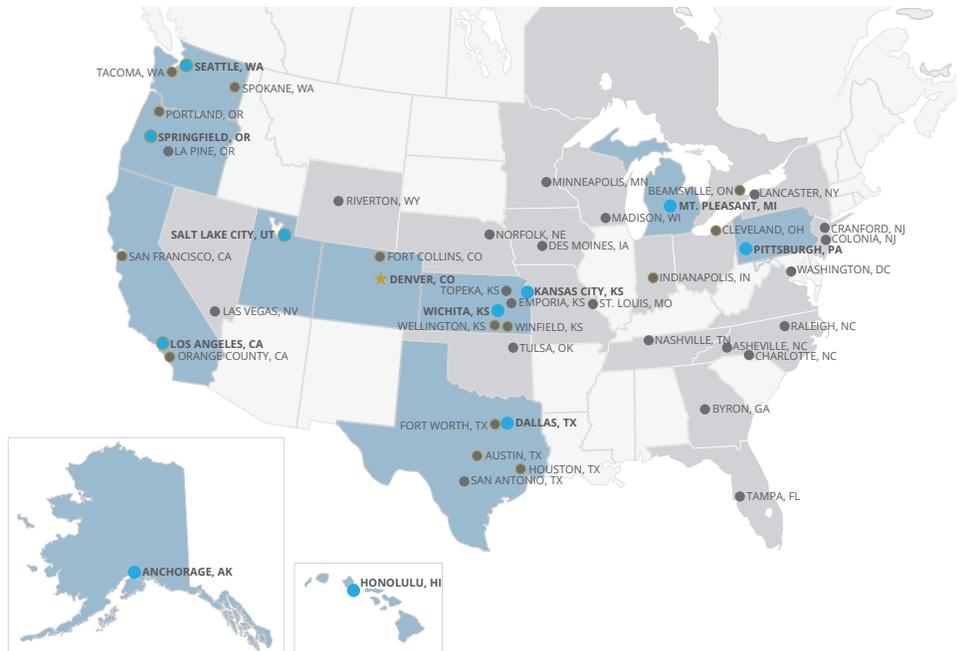
IMA is an integrated, diversified financial services company comprised of four entities: a retail insurance brokerage, a wholesale insurance brokerage, a financial management firm, and a program management firm. After more than 45 years, IMA remains independent and employee-owned, still charged with the ambitions of loyal associates who see the company’s future as their own. Due to the global reach of IMA, our team members have access to an incredibly wide range of products and services.



OFFICE LOCATIONS

IMA operates hub offices in 11 states:

- + Alaska – Anchorage
- + California – Los Angeles
- + Colorado – Denver (Corporate Headquarters)
- + Hawaii – Honolulu
- + Kansas – Overland Park, Wichita
- + Michigan – Mount Pleasant
- + Oregon – Springfield, Portland
- + Pennsylvania – Pittsburgh
- + Texas – Dallas
- + Utah – Salt Lake City
- + Washington – Seattle, Spokane



IMA FAST FACTS

- + Incorporated in 1974
- + 3rd largest privately-held broker in the country
- + 20th largest broker overall
- + Employee-owned
- + Over 1,700 employees
- + National in reach, local in service
- + Premium placements of over \$5 billion annually
- + Revenues in excess of \$400 million
- + Client Retention Leads the Industry at 95%
- + 8% Revenues invested in value-added client services – twice the industry average of 3.8%
- + IMA has clients with physical operations, exposures, and/or employees in every state in the U.S. as well as in over 100 countries around the world



EMPLOYEE OWNED
FOR OVER
45 YEARS

IMA, INC.

IMA, Inc. is a “Full-Service Broker,” meaning that we have the capabilities to provide all broker services in-house, direct to our clients; not by outsourcing to a third-party.

IMA Service Departments + Coverage Specialty Units:

- + Insurance Consulting/Brokering Services
- + Risk Management Consulting Services
- + Enterprise Risk Management Consulting
- + Employee Benefits Consulting and Brokering Services
- + Health Risk Management Service
- + Retirement Program Advisory Services
- + Loss Control Services
- + Claims Management Services
- + Contract Administration Services
- + Compliance Services
- + Alternative Risk Financing Services
- + Environmental Risks Specialty Unit
- + Executive Risks Specialty Unit
- + Data Privacy/Cyber Risks Specialty Unit
- + Aviation Risks Specialty Unit
- + Surety Bonding Specialty Unit
- + Global Risk Solutions
- + Online Service Center
- + Online Safety Training
- + Online Certificates Program
- + Passport – Online Risk Management and Insurance Warehousing Site
- + RMS System
- + MyWave
- + Mineral/ThinkHR
- + People Analytics powered by Deerwalk

IMA CULTURE

IMA continues to focus on our mission to **protect assets and make a difference**. This goes not only for our clients, but for the communities where we live, work, learn and play. Through the financial support of our local offices and the IMA Foundation, we provide meaningful funding to more than 200 community partners each year. IMA always strives to be more than just a check and IMA associates walk the talk when it comes to supporting our partners with their personal time and resources, too.

IMA is made up of incredibly philanthropic associates. Our dedication ranges from weekly tutoring visits to schools to mentoring young people to serving on nonprofit boards. **Giving back is at the core of our culture at IMA.** It has been for more than 40 years and it will continue to be for decades to come.

**Protecting assets is what we do.
Making a difference is who we are.**

IMA's commitment to community spans from employee volunteerism to sponsorships and to grants from the IMA Foundation.

IMA Foundation focus areas are Arts & Culture, Education (Early Childhood through Higher Education), and Advancing Youth, including a newly created focus on youth mental health.

At IMA, our work is bigger than just our clients. We're protecting assets and making a difference, not only for our clients, but within the communities we call home. With the guiding principle of sharing generously where we do business, we give back through the IMA Foundation and our Difference Maker Committees.

IMA offers unlimited paid time off to volunteer. IMA associates volunteered **more than 11,000 hours in 2019** through personal and company supported activities, largely selected and led by IMA associates. Due to COVID-19, volunteer opportunities were limited in 2020.

IMA Foundation responded to COVID-19 with contributions of \$150,000 to front-line organizations across IMA's footprint making grants in five states.



Insurance Management Associates, Inc. was formed in 1974 when three agencies joined together, forming the basis for the present company. Our goal, then and now, is **to be an innovative leader** in the commercial insurance, risk management, surety and employee benefits brokerage & consulting industry. In 2020, IMA changed our corporate name to IMA Financial Group, Inc. as our original name did not adequately describe our business and the breadth of the services we provided.

IMA is the 3rd largest privately held broker in the country and 21st largest overall. Our more than 1,700 associates are located across offices in Alaska, California, Colorado, Hawaii, Kansas, Michigan, Oregon, Pennsylvania, Texas, Utah, and Washington and throughout the U.S. and Canada.



IMA BENEFITS

Our Benefits Division has over 250 associates working across our offices. Each location is led by a Market Leader who then reports up to the divisional leadership.

We have structured our benefits consulting teams to meet the needs and expectations of various clients based on key characteristics such as the regional and/or national footprint of the organization, the size of the organization, and the strategic complexity. Company-wide, we serve over 3,000 clients.

LONG would be managed by a service team located in Denver. This team has been assigned specifically because of their expertise working with clients of similar size to LONG that have complex strategic benefit program goals and objectives and many times have a multi-state or international footprint.



Select Market

Specialized market segment for clients < 100 employees

Mid Market

Core market segment of mid-sized clients

National Accounts

Top market segment of large, national clients

We are proud to be an employee-owned company with premium placements in excess of \$5B and revenue exceeding \$400M. IMA specializes in providing risk management and insurance coverage tailored to a variety of different industries, many of which align directly with your respective enterprises. We purposely establish specialization areas within our benefits division.

MORE THAN
\$5 BILLION
— IN ANNUAL —
PREMIUMS

The benefits consulting team's approach to developing strategy for our clients is one established in our proven-effective consultative philosophy. That philosophy is rooted in two foundational components: being **educational and informative** so clients can make well-founded decisions and following a **strategic and active approach** to plan management.

We do not believe there are any "silver bullets" or single solutions that work for all clients. We understand that one size does not fit all, and it is our goal to collaborate with our clients to create a customized multi-year strategy.

IMA will support LONG with a team of industry specialists who are unparalleled. We have subject-matter experts in the areas of compliance, total rewards, wellness, employee engagement and communications, data analytics, cost containment, supplemental benefits, Medicare, and benefits technology to ensure your expectations are met.

IMA serves only the interests of our clients, not the market and not a small cadre of senior 'employee-owners' or family members. IMA's overarching goal is the perpetuation of the firm and our continued ability to provide for our associates and their families; a goal accomplished only by providing exceptional service, insight and partnership for our clients.

We are uniquely able to invest in value-added services for clients, at **2x the national average**. Our structure has enabled us to maintain a model focused on service and value rather than revenue or profit generation.



2. Who would be working directly with LONG on administrative issues, questions, or problem solving? Please provide the roles and qualifications of each person. Also, include the number of clients each person is expected to handle and categorize these clients by large (500 or more), medium, or small (less than 100) groups.

The service and consulting team of **Dora Michniok** as Account Executive, **Rachel Atkins** as Account Manager, and **Michelle Krasovich** as Senior Analyst would be responsible for working with LONG on administrative issues, questions and problem solving.

Experts and practice leads will be directly engaged in meeting LONG's expectations, as well. The proposed team is intentionally comprised of members with diverse, yet complimentary, skillsets to provide best-in-class consulting services. Our approach is focused on the strategic and active management of benefit offerings to optimize efficiencies and cost containment.



**ACCOUNT
EXECUTIVE**

**ACCOUNT
MANAGER**

**SENIOR
ANALYST**

**RELATIONSHIP
LEAD**

STRATEGIST

**PROBLEM
SOLVER**

ANALYZER

**EXECUTIVE
OVERSIGHT**

Program
Oversight

Day-to-Day
Support

Data
Management

Client
Satisfaction

- + Cost Control
- + Benchmarking
- + Trends

- + Communications
- + Open Enrollment
- + Vendor Liaison

- + Marketing
- + Budgeting
- + Reporting

- + Relationship
- + Quality Control
- + Troubleshooting



TERESA SMITH | *Client Services Manager, Surety, P&C, and Benefits*

Teresa is a Sales Executive and Senior Client Adviser with IMA, since 2006. She has the ultimate responsibility for coordination of services and strategic planning with her clients and the IMA service team, for all the group health care employee benefits needs. Her focus over the last sixteen years of insurance, surety and risk management has primarily been in the construction and health care related industries, as well as non-profit business. Teresa received her J.D. from the University of Denver College of Law and practiced insurance defense, as a trial attorney over twelve years, prior to her insurance work. She ultimately decided to utilize her legal talents in the insurance industry, working with clients to develop long term strategies, protect assets and increase overall profitability.

Teresa is active in the AGC, CCA, former Associate Board Member, and Chairperson in 2019. She also attends various AGC and ABC events, including governmental affairs and legislative activities. She served as the ABC PAC Chair. Teresa also is a past Board member for the Girls Inc Alliance and continues to assist with fundraising. Teresa received the Five Star Award from *Colorado Business Magazine* for her client advocacy.



DORA MICHNIOK | *Account Executive, Lead Consultant for LONG* | **10 CLIENTS**

Dora began her career in employee benefits after joining IMA as an Account Manager back in 2016. Prior to joining IMA, Dora spent three years at a concierge medical home provider, Paladina Health, where she was an Account Manager. At Paladina Health, she was directly responsible for overall client satisfaction and engagement. Prior to Paladina Health, Dora spent 5 years as a financial analyst in the financial services industry.

Dora's 8+ years in the industry has primarily been focused on self-funded accounts creating a range of strategic solutions for her clients. Dora is responsible for evaluating and formulating multi-year benefits strategies including annual planning, project management, trend analysis, market review and consultation on best practices within Employee Benefits. While Dora draws experience working with several different industries, much of her experience has been focused on education, manufacturing, construction/engineering and professional service industries.

Dora has a Bachelor of Science degree in Business and Technology with a concentration in Finance from Stevens Institute of Technology in Hoboken, NJ. She also holds a Life, Health and Accident Producers License for Colorado as well as a Group Benefits Associate (GBA).

Dora's book of business is primarily made up of self-funded construction clients that are over 250 employees or greater in size. More specifically, her book includes the following breakdown: Large – 3 clients, Medium – 7 clients.



RACHEL ATKINS | *Account Manager for Long* | 10 CLIENTS

Rachel is the dedicated Account Manager serving as the main day-to-day contact for benefits questions, service support, and problem solving. As the Account Manager, Rachel manages several components of the client benefits experience ranging from implementation processes, daily administration, service issues and inquiries, thorough Open Enrollment planning and execution, contract review, and compliance support. As the Account Manager, Rachel is the first line of support for responsive and detailed client support.

Rachel joined IMA as an Account Manager in March of 2021. Prior to that, Rachel worked as an Account Manager in employee benefits for another broker in Texas. She has worked in the employee benefits industry for 8 years. Rachel has a Bachelor of Science degree in Consumer Economics from the University of Georgia.



MICHELLE KRASOVICH | *Senior Analyst* | 13 CLIENTS

Michelle has combined her 22 years of experience in the Employee Benefits industry with her passion for serving clients with the use of data analytics to drive strong financial results. Her tenure in the Denver Employee Benefits market has allowed her to hone her craft as an analyst, and to draw on her expertise and technical skills to help develop best-in-class benefit programs.

In her role as an Analyst for IMA, Michelle focuses on financial reporting and analysis for her clients. She closely manages the underwriting, renewal and marketing process to secure financial results to align with each group's benefit strategy.

Michelle has a Bachelor of Arts degree in Speech Communication from Metropolitan State University of Denver. She holds a Life, Health and Accident Producers License for Colorado and has earned her Group Benefits Disability Specialist (GBDS) designation.

“IMA’s management is empowered to direct the resources of the company to **serve its customers first** rather than to meet the quarterly earnings expectation of Wall Street.”

KEVIN M. STIPE, CPCU, REAGAN CONSULTING

3. Describe what makes your firm uniquely qualified to service our account.

IMA'S MISSION, VISION AND CORE VALUES

IMA is unique in the insurance brokerage marketplace in that we're a widely held, employee-owned organization. This structure serves as the foundation for our mission, vision and core values. Our associates have an owner's perspective for maintaining successful client partnerships and has an owner's incentive to take an entrepreneurial, non-bureaucratic, creative approach to help our clients meet the objectives of their employee benefits and risk management programs.

One of our guiding principles is to share generously within the communities where we have a business presence. We created the IMA Community Action Committee and the IMA Foundation to ensure that we're giving back in those locations in a meaningful way.

“PROTECTING ASSETS IS WHAT WE DO,
MAKING A DIFFERENCE IS WHO WE ARE.”

ROB COHEN, *Chairman & CEO, IMA Financial Group*

CORE VALUES

Professionalism

We set the standard with an unwavering commitment to excellence.

Relationships

We nurture relationships built on trust, integrity, honesty, humility and mutual respect.

Expertise

We are knowledgeable hands-on, collaborative and innovative and passionate about service.

Balance

Our environment encourages a balance of work, family and community.

Results

We constantly strive for profitable growth.

Equity

We embrace diversity, equity and inclusion and are uncompromising in our support and encouragement of all voices.

IMA'S VISION

- + Be a trusted advisor to our clients
- + Build and perpetuate a great company
- + Benefit our employees and their families
- + Remain independent



As an employee-owned company with a deep-seated culture of recognition, development and giving back to the community, IMA has received numerous awards as a “Best Place to Work” both locally and nationally. Our mission to “Protect Assets and Make a Difference” impacts our employees, our community and our clients.

Having a great culture doesn’t happen by chance. Creating a culture by design is something we’ve focused on since the company’s inception. We know that it takes a commitment from senior leadership to constantly evolve and strive to ensure that every employee who walks in the door feels valued and sees how his or her role fits into the bigger picture.

WHY PEOPLE WORK AT IMA

The competition for attracting and retaining industry-leading talent in our industry is fierce. Our advantage is that we can offer an ownership stake to prospective employees who have the right experience, skills and service ethic. LONG can be confident that members of your IMA service team have a vested interest in your satisfaction, an incentive that translates into optimal service.



Our culture naturally attracts talented people who are enabled and empowered to be innovators on our clients' behalf.

Transparency with employees and clear communication across the organization is one important element of an organization’s culture and it helps define the IMA employee experience.

Since today’s workforce is dynamic and ever-changing, we continually evaluate and enhance our employees’ daily work experience and our company culture to address our employees’ needs and preferences.



UNLIMITED PTO



COMPLIMENTARY STARBUCKS



MATERNITY + PATERNITY LEAVE



RTD ECOPASS



SABBATICAL



ONSITE FITNESS CENTER + HEALTH CLUB REIMBURSEMENT

COMMUNITY INVOLVEMENT

We take seriously our responsibility to be involved in our communities, both professionally and personally. Through the IMA Foundation, we support the advancement of youth, education, arts and culture in all the communities where we live and work. Volunteering on I Make a Difference Day (our annual day of service), donating time to serve on non-profit boards and the countless other activities our associates take part in all add up to supporting IMA's commitment to make a difference in everything we do.

I MAKE A DIFFERENCE DAY

IMA's mission to make substantial change for the cities it supports was on display during I Make a Difference Day when our employees in nine communities across the country worked together to make local, lasting improvements. Associates rolled up their sleeves to demonstrate that corporate responsibility is every employee's responsibility.

I Make a
Difference Day

On that day, IMA employees, families and friends donated approximately 1,500 hours to their communities. They volunteered to enhance youth programs, beautify cultural icons, support the disadvantaged and generally make a difference in lives and communities.

IMA'S BUSINESS MODEL REVOLVES AROUND PEOPLE.
WE KNOW OUR GREATEST ACHIEVEMENTS OCCUR
WHEN WE WORK TOGETHER.



OUR APPROACH TO EMPLOYEE BENEFITS

We passionately believe in our team's ability to bring knowledge and integrity, while challenging conventional thinking to provide LONG a customized client experience.

- + As LONG seeks to continue their success managing benefit program costs, we will work with you to strategize and identify solutions that bring continued savings while providing valuable benefits to your employees.
- + We believe that employee understanding and engagement in your benefit program strategies is key to the success of cost controlling solutions and the creation of a rich employee experience.
- + In addition to bringing expertise in the design of big picture strategies and solutions, we believe in building a relationship with LONG as a trusted extension of your team.

4. Why do clients leave your organization?

Our goal is to provide clients with an unparalleled service experience. Thanks to this focus, we've maintained an extremely high benefits client retention rate of 95%. Clients primarily leave due to mergers and acquisitions.





Account Service



5. What is the target size client for your organization?

While we serve clients from 1-18,000 employees, IMA's primary target and focus is in the mid-market segment of 100-1,000 employees. In our mid-market segment, the majority of our clients range from 250-750 and the average size is 450.

6. What is your service philosophy? What is your process for ensuring customer satisfaction?

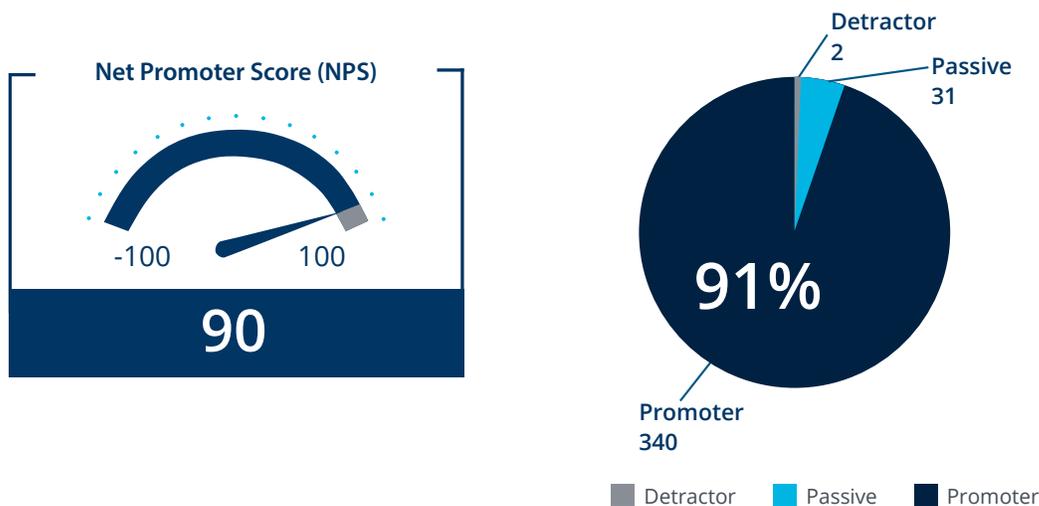
Maintaining a **customer first** mentality is core to our corporate strategic plan and our culture. It is reinforced by our employee-ownership structure. We reach out to our clients through targeted surveys and focused interviews at key touchpoints in our service cycle to better understand how well we're meeting their expectations. To maintain confidentiality, the responses are collected and analyzed by our internal Business Consulting team, and they report on the key themes they uncover to service teams and senior leaders.

On a broader scale, we're also committed to listening and responding to the **voice of our customer** in an ongoing effort to improve our internal processes, service model and deliverables. Within both our Employee Benefits Division and our Property and Casualty Division, we've conducted large customer experience exploration projects in order to understand what matters most to our clients. We seize on those insights to raise our game and deliver even more value.

After conducting extensive customer surveys and interviews, we've been able to:

- + Improve internal efficiencies to increase our strategic focus with each client
- + Optimize our team assignments to match the right service team with each client
- + Identify our best-in-class, most highly rated deliverables and replicate those best practices across our offices
- + Develop comprehensive submissions that improve our carrier relationships and negotiating clout
- + Continuously innovate and invest in new technologies to better serve our clients

With a **world-class Net Promoter Score of 90** across our business, we're proud to say our continuous effort to stay attuned to our client's experiences has paid off to the point where we retain 95% of our clients.



7. What is the turnover rate of employees that perform a bulk of the problem-solving organization within your organization? Categorize employee turnover according to the group sizes listed above.

The service team that would be providing service to LONG has had no employee turnover in the past year. Both the account manager and senior analyst were hired in 2021 as the department experienced tremendous growth. **Dora Michniok** has serviced, or had oversight on, the same book of business for the past five years. If you would like more information in this regard, we would consult further with our National HR leaders.

8. How would you help boost employee engagement and utilization of such things as the HDHP, FSAs and HSAs?

Through previous experience, we recognize construction clients are challenged with interacting directly with employees regarding benefits due to the lack of consolidated job locations. If there is a particular interest in encouraging the utilization and engagement of Flex accounts (HDHP, FSAs and HSAs) the core team would leverage our marketing toolkit to customize communications utilizing different communication channels; e.g., tablet communications that bring a digital campaign to remote/field workers, physical and digital signage at job sites, home mailers to ensure spouses/partners are involved.

These would be just a sample of options available to help boost engagement and utilization. Printing, translation, and technology platform fees (if applicable) would be a pass-through cost.

9. Describe your firm's approach for managing the annual renewal and negotiation process.

IMA's teams collaborate with each of their clients to establish highly personalized benefits programs that represent the individual values and objectives of those entities. The goal is that clients feel empowered by setting a deliberate benefits strategy employing active plan management, rather than be driven to make reactive benefit plan decisions that may adversely impact employees. The combination of our consultative philosophy, continued training and development of the team, and the ongoing collaboration with LONG will ensure an alignment of a multi-year strategic plan meeting your specific needs.

As a core component of our services, IMA helps our clients to understand the insurance marketplace, evaluate renewal options, negotiate competitive options and place quality insurance contracts. We will illustrate the options available to LONG in a simple and easy to understand marketing report that is delivered 90-120 days before the renewal effective date. This report is the result of a comprehensive request for proposal (RFP) sent to the appropriate carriers and vendors.

IMA only markets to financially secure companies. Each line of coverage will be compared to the current and renewal plan options, both on a dollar and percentage basis. Our objective is to identify available benefit options that fit within LONG's budget and plan design parameters.

The following is a more detailed outline of the steps we typically follow in managing the annual renewal and negotiation process:

STRATEGIC PLANNING

- + Set objectives for marketing
- + Understand project scope
- + Identify team members
- + Release Broker of Record letters
- + Establish communications protocol
- + Determine markets
- + Discuss plan design alternatives

VENDOR EVALUATION

- + Conduct vendor reference checks
- + Finalize report format
- + Meet with vendors for proposal presentation
- + Negotiate final rates
- + Finalize Marketing Report

INFORMATION GATHERING

- + Request all necessary data
- + Inventory received data
- + Analyze claims/rates/contributions
- + Analyze demographic data

VENDOR SELECTION

- + Present Marketing Report
- + Review/negotiate contracts
- + Interview finalists
- + Select and notify

DEVELOP & DELIVER RFP

- + Categorize data received
- + Compose request letter
- + Peer review RFP draft
- + Review draft with client
- + Coordinate vendor meetings to review RFP
- + Submit RFPs to vendors

EMPLOYEE COMMUNICATIONS

- + Review prior communication
- + Review program and set objectives
- + Suggest theme and develop plan
- + Draft, approve and modify text
- + Finalize text and graphic design
- + Print and distribute

VENDOR FOLLOW-UP

- + Contact markets to ensure bids are in underwriting
- + Contact markets for status check, daily, if necessary
- + Answer vendor questions and provide additional information
- + Review proposals for completeness and follow up on all issues

ENROLLMENT

- + Determine enrollment information needed
- + Determine method and develop plan
- + Follow up regarding non-responding employees
- + Transmit enrollment data to vendor

IMA's consulting approach is to facilitate a mutually beneficial partnership between our client and all viable vendors that will result in a benefit plans that best align with LONG's strategic and financial goals. We customize our marketing efforts based upon these goals and rely on our strong vendor relationships and expertise/experience to evaluate and outline all the options for clients.

IMA COST SAVINGS + NEGOTIATION PHILOSOPHY

- + IMA provides thorough analysis of the market offers using proprietary underwriting projections to independently evaluate carrier proposals
- + Use strong relationships that our consulting team and benefit division leadership have with carriers to leverage a best offer for our clients
- + Leverage our knowledge and expertise of the carriers and market to achieve the optimal results for our clients

An example of a project scope of work for a medical plan administration and network evaluation is included below:

IMA KEY PROJECT OBJECTIVES

Process Management:

- + Pre-marketing data gathering and validation
- + Provide market list recommendations and design of RFP scope of work and questionnaire
- + Full management of bidding process
- + Analysis and evaluation of proposals
- + Full management of negotiation efforts with bidders
- + Presentation of results to Client
- + Coordination of vendor finalist presentations

Cost Analysis:

- + Provide administration services cost comparison to include multi-year options and contractual credits
- + Medical plan network evaluation and analysis, to include geo-access, network disruption and discount analysis
- + Evaluate introduction of regional network options in key markets and impact on overall plan cost and projected plan enrollment



Benefit to Client:

- + Full management of RFP process from pre-work to delivery of results & coordination of finalist meetings
- + Potential cost savings to administration services through bid process
- + Potential cost savings due to an identified improvement to the current network
- + Potential employee experience benefit if an administration change results in better consumer tools/ interface and/or an alternative network results in better access to providers/facilities

Enterprise-wide, IMA Financial Group places more than \$5 billion in insurance premiums with its carrier partners each year; placing us in the top tier of insurance broker/consultants in the U.S.

IMA will perform a thorough analysis of the market offers using its proprietary underwriting assumptions/projections. This exercise provides negotiating leverage with the current vendors for the upcoming policy year.

Specific areas include but are not limited to the following:

- + Validate the incumbent consultant/broker renewal methodology
- + Evaluate alternative programs and pricing offered by the incumbent carrier
- + Conduct a thorough analysis of similar alternative carriers

Please see below for a sample integration timeline for the first 12 months, if IMA were given the opportunity to partner with LONG.

FIRST 12 MONTHS SAMPLE

March – April 2022	May 2022	June - 2022	July - 2022	August - 2022	September 2022	December '22 – February '23
<ul style="list-style-type: none"> •IMA takes financial control (Broker of Record) •Conduct new client on-boarding •IMA to review insights collected from client discussion and to formulate strategic considerations and recommendations •Conduct strategic planning meeting •IMA to manage Q&A from strategic planning discussion, supply follow-up information 	<ul style="list-style-type: none"> •Conduct pre-renewal meeting to establish tactical plan for renewal •Send out RFPs based on marketing needs for renewal •Conduct compliance on-boarding meeting 	<ul style="list-style-type: none"> •IMA to receive and analyze options from the market or incumbents, negotiate with carriers •Conduct renewal meeting to review options •Kick-off implementations for benefit changes or additions 	<ul style="list-style-type: none"> •Assist with open enrollment planning and preparation (meetings, materials, etc.) 	<ul style="list-style-type: none"> •Conduct open enrollment •Submit enrollments to carriers/vendors •Continue coordination of implementations, if applicable 	<ul style="list-style-type: none"> •Renewal effective •Finalize new carrier implementations, if applicable 	<ul style="list-style-type: none"> •2023/2024 Strategy and Trends Review



As a trusted partner, we closely collaborate with our clients' teams over a year-long cycle to optimize their benefits programs and deliver an exceptional employee benefits experience.

The client lifecycle illustration below is a typical customer strategic planning and service schedule that accomplishes those goals.

SAMPLE 2022 TIMELINE

1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
<p>JANUARY</p> <ul style="list-style-type: none"> + Deerwalk Dashboard Set-Up Meeting + Wellness Strategy Meeting + Monthly Call <p>FEBRUARY</p> <ul style="list-style-type: none"> + Strategy Meeting + Communications Planning Meeting + Monthly Call <p>MARCH</p> <ul style="list-style-type: none"> + Compliance Review + Monthly Call 	<p>APRIL</p> <ul style="list-style-type: none"> + IMA Year-End Utilization Review + Monthly Call <p>MAY</p> <ul style="list-style-type: none"> + Lincoln Year-End Utilization Review + ESI Year-End Utilization Review + Monthly call <p>JUNE</p> <ul style="list-style-type: none"> + Renewal Meeting + Monthly Call 	<p>JULY</p> <ul style="list-style-type: none"> + OE Communication Planning Meeting + Vendor Initial Implementation Meeting (if needed) + Monthly Call <p>AUGUST</p> <ul style="list-style-type: none"> + Final Renewal Meeting + Q3 QBR + Monthly Call <p>SEPTEMBER</p> <ul style="list-style-type: none"> + IMA Mid-Year Utilization Review + Monthly Call 	<p>OCTOBER</p> <ul style="list-style-type: none"> + Open Enrollment + TPA Marketing Project Kick-Off Meeting (if needed) + Monthly Call <p>NOVEMBER</p> <ul style="list-style-type: none"> + Open Enrollment + Pre-Strategy Planning Meeting + Monthly Call <p>DECEMBER</p> <ul style="list-style-type: none"> + Monthly Call

10. What is your process for handling open enrollment/renewal meetings in a multi-site environment? Do you involve carriers in this process as well?

Support for Annual Enrollment is a year-round mission.

EVENT PLANNING AND MANAGEMENT

We can assist our clients with their Open Enrollment events at whatever level is necessary. For example, our team can coordinate meetings with the carrier representatives, attend the meetings to act as an additional resource or even conduct the employee Open Enrollment meetings.

We'll also ensure that all materials with respect to benefits, eligibility requirements, rates, etc. are coordinated with the selected vendors.

Much of our Open Enrollment event support is in the area of communication planning, as we provide or coordinate:

- + Travel
- + Vendor Participation
- + Carriers and flu shot providers
- + Employee giveaways and swag
- + Marketing materials and flyers
- + Presentations of Open Enrollment topics during member meetings

Out of necessity, many recent Open Enrollment functions for our clients have been held virtually so we've created a comprehensive electronic Open Enrollment strategy.

We also provide full-service communication support throughout the year:

- + Developing an ongoing communication strategy and brand for employee benefit-related communications
- + Drafting, designing and producing high-impact print pieces
- + Providing customized communications and education for partners/dependents
- + Drafting and bookmarking compliance communications, including Summary Plan Documents, Employee Handbooks and requirement plan notifications
- + Preparing graphic design elements that incorporate the client's brand in their HR and Benefit communications
- + Scripting and producing video communications for Open Enrollments sessions, new hire orientations and recruiting events
- + Preparing digital productions that can be used for weekly webinars that's hosted on the company's Intranet/Internet and duplicated and distributed to all employees and their partners
- + Developing and implementing a web-based communication, enrollment and benefit administration platform
- + Embedding all communications into the enrollment platform

Knowing that each of our clients has unique needs with respect to open enrollment, we work with each client to identify key goals and objectives around their open enrollment process and assist with designing a customized communications and engagement strategy to best execute this important process and highlight the key benefit initiatives that our clients wish to market to their employees.

We will help facilitate the open enrollment process by ensuring that any support needed from your vendor/carrier partners from marketing materials to onsite support is executed successfully.

We are available to design and perform a complete review of all the communication materials to be used during your open enrollment process. Typically IMA sets an Open Enrollment Communications Planning meeting with clients approximately 3-4 months prior to the start of open enrollment to identify key goals and lay out a plan of action for communications/marketing. We will be sensitive to the employee population for which the materials are designed, with particular attention given to technical accuracy and visual appeal. We will advise the carrier of any necessary revisions prior to printing. As necessary, we will prepare supplemental materials to enhance the employee's understanding and appreciation of the benefits.

Tools that have been particularly effective in the past:

- + Brainshark presentations
- + Mobile alerts to enroll in benefits
- + Benefits Summaries
- + Embedded videos
- + Call center support to traditional communications



CASE STUDY #1

BRANDING + COMMUNICATION STRATEGY

A large organization with multiple locations had a very fragmented brand, no consistency in tone/voice/imagery. Communication pieces were very technical and long – not overly engaging or user friendly for the employee.

The IMA Benefits Communications team began by creating a standardized look and feel – creating templates packed with engaging and meaningful imagery.

IMA developed a simple and recognizable logo for Employee Benefits, creating a visual indicator for employees to quickly know what the content of the communication piece was about. Communications templates were developed with the employee in mind. Content was concise, helpful and to the point while the tone of the pieces was lighter and in “human speak” instead of technical HR terms.

In tandem with the Benefits team, a 12-month strategic communications calendar was created. The group had previously only heavily communicated with employees during Open Enrollment or when there was a large change to their benefits. It was important that we created communications to support the benefits messaging throughout the year instead of for an 8-week timeframe.

IMA helped the client develop quarterly focuses – these were determined based on utilization data, focusing on benefits that were unused/underutilized or new benefits they wanted to promote. IMA also helped the client implement a mixed media strategy, utilizing print (around offices at various locations), email, direct mail and intranet to reach employees in multiple ways and to keep communications interesting.

CASE STUDY #2

OPEN ENROLLMENT REDESIGN

A large, international corporation was having low engagement during their Open Enrollment – there were a lot of questions, confusion and low attendance at meetings/webinars.

Although the company had a robust communications platform in place, it was underutilized and largely unknown to the employees. This platform housed benefits information and was the gateway to their enrollment platform. Communication material consisted of a lengthy benefit guide, a few emails from HR and an OE meeting or two.

The Benefits Communications team did a complete overhaul of their Open Enrollment materials while also implementing an awareness campaign for their communication hub.

Full rebranded their look and feel and implemented a communications calendar that was supported by mixed media.

Utilized a vendor to create a “2019 Benefits Overview” video to be used in various places and housed on their communications hub.

12. Describe how your firm would help with administrative/technical issues with vendors.

IMA consulting teams support clients in a variety of ways related to account administration and vendor advocacy whether it is the Account Executive working with the carrier and HR team to solve for questions or issues related to an escalated employee claim, or the Analyst managing high cost claims reimbursement with the medical carrier and/or stop loss carrier. The team leverages relationships with carrier/vendor partners to achieve quick resolution while looking at each and every issue strategically to determine if it is a larger global issue or simply an isolated event. Claims issues that are sent to IMA for assistance are logged in our action items to document cause and resolution.

With the growing number of vendors/carriers that provide elements of a benefit program, IMA actively partners with our clients to help resolve quickly any issues related to administration, including but not limited to eligibility file issues, billing issues and general technology failures. The Account Executive will take lead in providing expertise around assistance assessing the issue and then following through with vendor partners to ensure a quick resolution, as IMA understands that these failings can have great impact to employees and their perception of LONG's benefit programs.

13. Describe how your firm would support our employees with claims and other benefits issues.

MEMBER SUPPORT

The IMA Call Center eliminates frustration and encourages proper use of your benefit plans by giving you a dedicated, single source contact for insurance-related matters.

ADVANTAGES FOR EMPLOYEES

The IMA Call Center will provide your employees with skilled assistance from an IMA licensed benefits professional via phone or email who will assist with common issues that employees may face when utilizing their insurance plans. All assistance is provided in a confidential, professional and supportive manner.

ADVANTAGES FOR EMPLOYERS

In addition to the many benefits that employees experience, there are several administrative benefits as well:

- + Employee confidentiality/HIPAA compliance
- + Trend identification in order to troubleshoot benefit trouble areas
- + Frees up HR to focus on strategic planning

The IMA Call Center is a special service that helps employees and HR managers head off small insurance problems – before they become big ones. This can result in greater employee satisfaction and ultimately a savings in time and potentially costs.

14. Describe how your firm sees its role in the development of a benefits philosophy and strategy. How would your firm carry out that role?

IMA's team approach to developing strategy for our clients is one established in our proven-effective consultative philosophy. That philosophy is rooted in two foundational components: being **educational and informative** so clients can make well-founded decisions and following a **strategic and active approach** to plan management.

The IMA team has collaborated with each of our clients to establish highly personalized benefits programs that represent the individual values and objectives of those entities. The goal is that clients feel empowered by the setting of a deliberate benefits strategy employing active plan management rather than be driven to make reactive benefit plan decisions that may adversely impact their employees. The combination of our consultative philosophy, continued training and development of the team, and the ongoing collaboration with LONG will ensure an alignment of a multi-year strategic plan.

The plan will be augmented by the ongoing evaluation of LONG's goals and objectives, benefit plan utilization patterns, demographic changes, compliance concerns and market trends. It is imperative that a part of that evaluation is ongoing measurement of the effectiveness of past and future solutions and plan programs.

In addition to the strategic advisory team led by **Dora Michniok**, IMA will support LONG with a team of industry specialists who are unparalleled in the brokerage marketplace. We have subject-matter experts in the areas of compliance, total rewards, wellness, employee communications, data analytics, cost containment, supplemental benefits, Medicare and technology advisory services to ensure your expectations are met.

Our consultative approach is an ongoing, year-over-year process that includes data and strategy review, compliance review, pre-renewal and renewal work, and implementation/year-end support. This cycle never ends, rather it is continually building upon itself, forming into a well-developed multi-year strategic plan.



DORA MICHNIOK
*Account Executive,
Lead Consultant*



The following illustrates a sample Three-Year Strategic Plan:

SAMPLE 3-YEAR STRATEGIC PLAN

2023*

Medical plan efficiency and program analysis to include the following:

- + Full audit of plan design details
- + Possible expansion of centers of excellence requirements (SurgeryPlus)
- + Mental health & substance abuse benefit evaluation
- + Place of service differentials
- + Reference based pricing for targeted services
- + Consider carve out member service and advocacy vendor

Evaluate primary care & chronic care management strategies to include the following:

- + Near site clinic in Midland/ Odessa region for retainment and recruitment of employees

Condition management program evaluation to include the following:

- + Diabetes management tools and programs

PBM administration RFP and analysis, to also include the following:

- + Rx clinical program evaluation

Rx plan optimization to include the following:

- + 3rd-party clinical management carve-out options, including specialty pharmacy

Retiree plan evaluation

Wellness program evaluation

EAP RFP and mental health benefit evaluation

Employee and HR marketing/ communication strategy

2024*

Medical TPA Due Diligence and Network Analysis

- + Consider evaluation of bundled and unbundled options
- + Consider narrow networks to possibly include ACO strategy in key markets
- + Consider key market alternative network or carrier options

Narrow and specialty network evaluation to include the following:

- + Possible expansion of Imagine Health
- + Centers of excellence networks, including cancer care
- + Condition specific specialty network
- + Imaging specialty networks

Medical plan design efficiency and program analysis to include the following:

- + Expansion of value-based benefits
- + Place of service differentials
- + Reference based pricing for targeted services

Evaluate primary care & chronic care management strategies

Rx plan optimization to include the following:

- + Rx clinical program evaluation
- + Specialty management evaluation

Knova Solutions evaluation and enhance care management RFP (TBD)

Total Absence evaluation (leave & workers' comp)

2025*

Medical plan design efficiency and program analysis to include the following:

- + Expansion of value-based benefits
- + Place of service differentials
- + Reference based pricing for targeted services

Rx plan optimization to include the following:

- + Rx clinical program evaluation
- + Specialty management evaluation

Life & Disability RFP and analysis (TBD)

**Reflects target plan year effective date, not the year the evaluation will take place*

INCREASING MEMBER ENGAGEMENT/ACCOUNTABILITY AND DRIVING BEST PLACE OF CARE

While we continually review, vet and recommend solutions that are intended to control future claims cost, our innovation is one area that is starkly different from other firms approaches. We focus heavily on strategies that are multi-faceted in their benefits: they enhance the benefits, provide an improved member experience, and encourage behaviors that result in future savings to the plan.

This ultimately helps to control costs and mitigate the need for substantial budget and employee contribution increases. By pursuing these types of strategies and controlling costs, everyone wins. The members are happy, the benefits are robust, and the members and management can count on a more consistent and controlled budget.

The following chart illustrates the reality that one size does not fit all. Built initially as an internal review to measure the effectiveness of both the strategies in play and our general innovative, consultative philosophy, it illustrates that targeting solutions to individual client wants/needs is the most effective way to control plan spend. While no two clients have the same strategies in place, they all realize better-than-trend plan performance year after year.

	CLIENT A	CLIENT B	CLIENT C	CLIENT D	CLIENT E	CLIENT F	CLIENT G	CLIENT H	CLIENT I	CLIENT J	CLIENT K
Structural Plan Management											
Evaluate Rx Contract Terms	X	X	X	X	X	X	X	X	X	X	X
Evaluate Stop Loss Contract Terms	X	X	X	X	X	X	X	X	X	X	X
Review Network	X	X	X	X	X	X	X	X	X	X	X
Budget and Reserve Strategies	X	X	X	X	X	X	X	X	X	X	X
Annual Marketing/ Price Negotiations	X	X	X	X	X	X	X	X	X	X	X
Plan Set-Up, Ongoing Management											
Telemedicine (member share)	X	X					X	X		X	X
Telemedicine (\$0 member share)			X	X	X	X			X		
HDHP Option	X	X	X	X	X	X	X	X		X	
HDHP Only											
On-site/Near-site Clinic								X			
ACO						X					
Reference-Based Pricing									X		
Value-Based Plan Design	X		X	X		X		X	X	X	X
Narrow Networks			X								
Centers of Excellence (incented)	X			X		X					
Rx Strategies	X	X	X		X	X	X	X	X	X	X
Advocacy Tools				X		X		X			
Utilize Data Warehouse Solution	X	X	X	X	X	X	X	X	X	X	X
Spousal Surcharge or Exclusion			X	X							
Year-Over-Year Trend	2.40%	-0.30%	4.10%	3.00%	3.20%	5.00%	4.70%	0.90%	-11.00%	3.40%	2.80%

15. Describe services available to assist with administration (i.e. Outsourcing, Online Enrollment, Call Center, Billing, COBRA, FSA, etc.).

OUTSOURCING

IMA, Inc. is a “Full-Service Broker,” meaning that we have the capabilities to provide all broker services in house, direct to our clients; not by outsourcing to a third-party.

ENROLLMENT DECISION SUPPORT RESOURCES

We support two benefit administration systems in-house: **Employee Navigator** and **PlanSource**. Both platforms provide employees with a user-friendly, educational experience for enrollment and benefits shopping with tools that help them make the best decisions. Both platforms offer a mobile-friendly experience so employees can access the enrollment platform at their convenience.

Employee Navigator provides a simple decision support tool for employees along with educational videos and communication. PlanSource is a more robust decision support tool that asks relevant questions and sources meaningful information to provide personalized plan recommendations.

CALL CENTER

As mentioned above, the IMA Call center will be available to LONG employees to provide assistance with common issues that employees may face when utilizing their benefit plans. All assistance is provided in a confidential, professional and supportive manner. This service is included in IMA's proposed consulting fee at no additional cost to LONG.

BILLING + ELIGIBILITY MANAGEMENT

We consider ourselves an extension of your staff by reviewing administrative processes and introducing efficient solutions. We will troubleshoot any day-to-day administrative challenges and work to resolve all issues as they arise. We have bi-weekly calls with some carriers to ensure all issues are identified and resolved timely and to our client's satisfaction. These calls could include LONG, IMA, and the vendor. When setting up your new programs, we will lead the implementation discussions so that your processes and procedures are initially setup to support the internal systems and employee needs. We will also make sure that the carriers or service providers with whom you work are coordinating and sharing information when possible. Our goal is to help you create efficiencies and make your processes work as smoothly as possible.





Financial Support/ Reporting



16. Describe analytic capabilities/tools/reports your firm offers to assist with plan management.

ACTUARIAL SUPPORT

IMA employs an in-house actuary. **Jordan Paulus**, Vice President, Director of Strategy and Analytics is a Fellow of the Society of Actuaries (FSA) and Member of the American Academy of Actuaries (MAAA) with both credentials obtained in 2012. Jordan's career includes 10 years of experience as a consulting actuary, focusing on population health management, rate development, reserving, and other actuarial functions for employer-sponsored health plans, insurers, hospitals, and provider groups.

Jordan leads IMA's analytics efforts including population health management and people analytics, as well as leading our analyst teams during the development of risk management strategies, plan design and funding strategies, claims projections and reserving. These actuarial functions are included within IMA's standard scope of services at no additional cost.



IMA employs an in-house actuary. **Jordan Paulus**, Vice President, Director of Strategy and Analytics is a Fellow of the Society of Actuaries (FSA) and Member of the American Academy of Actuaries (MAAA) with both credentials obtained in 2012.

POPULATION HEALTH DATA ANALYTICS

IMA utilizes an in-house claims analytics system, **IMA People Analytics**, powered by Deerwalk to guide clients in interpreting health and prescription drug data to understand the true cost drivers and risks of their health benefits plan, helping them make informed decisions about self-funded strategies.



People Analytics utilizes a partnership with Deerwalk analytics, which integrates insights from Deerwalk's clinical team with best-in-class analytics tools from Milliman, Clear Health, Truven (IBM Watson), and others to assess care quality and clinical appropriateness, as well as project future costs. Using these insights, IMA utilizes partnerships with population health management and care management solutions to align problems with impactful cost saving solutions, and track outcomes to evaluate ROI.

DATA MANAGEMENT + REPORTING CAPABILITIES

IMA believes in utilizing data to drive decisions and recommendations for our clients. Specifically, medical and pharmacy claims should be analyzed bilaterally from both a clinical and financial basis. Analyzing data on a clinical basis allows us to help LONG understand risks inherent in your population and how long specific large claims might persist and impact stop-loss underwriting. Analyzing claims on a financial basis allows IMA to help LONG understand trends and develop strategy and allows LONG to adjust the benefit plan to stay in front of risk and cost trends.

Listed below are sample key data sets of IMA's reporting packages available to LONG. Due to the extreme length of the sample reports, we will be happy to provide them upon request.

Executive Summary

The Executive Summary provides an overview of plan activity and utilization. This robust solution can be easily configured to present a fixed number of standard reports detailing health plan utilization, trends, benchmarks and costs. The Executive Summary can present an overview for a brief period or annual plan information in one reporting function.

Claim Analysis Overview

Graphic summary of claim expenditures, network discounts and employee responsibility.

Normative Comparison Summary

Summary-level view of enrollment, cost and utilization information.

Utilization Benchmark Summary

Comparison of utilization patterns between plan and selected national normative values.

Shock Claim Summary

Review high-claims members and the costs incurred.

Monthly Cost Summary

Per-month summary of claim expenditures, network discounts and employee responsibility.

Detailed Analysis Applications

Allow drill-down from plan level to individual EOBs.

- + **Payee** – Analyze and drill-down to specific claim information for payees used by members of your plan during a time specific timeframe.
- + **Provider** – Analyze and drill-down to specific claim information for healthcare providers used by members of your plan during a time specific timeframe.
- + **Diagnosis** – Analyze and drill-down to specified claim information for diagnoses of conditions experienced by members of your plan during a specific timeframe.
- + **Procedure** – Analyze and drill-down to specified claim information for procedures performed for members of your plan during a time specific timeframe.
- + **Prescription** – Analyze and drill-down to specified claim information related to prescription drug costs for members of your plan during a time specific timeframe.
- + **Payment** – Analyze and drill-down to create a list of individual claim payment details for a specified timeframe.

Dental Summary

View service categories associated with your dental costs.

Cost Distribution Summary

Number of members incurring 10%, 20%, 50% and 80% of the plan's claims.

Type of Service Overview

Overview of utilization costs by major types of service.

Plan Experience Summary

Eligibility and plan cost summary on a per-month basis.

Rank Order Analysis

Create a summary of top Payees, Providers, Diagnoses, Procedures, Drugs, PPO or Benefit Code sorted by services and/or amounts.

Health Service Analysis

Review cost and utilization information associated with groups of services performed for plan members during a specific timeframe.

Lag Matrix Generator

Create a paid versus incurred lag matrix for specific time periods.

Turn Around Time

Display claim counts, charges and payments associated with different payment turnaround periods.

Large Claim Trend Analysis

- + Trend analysis of large claimants comparing two timeframes.
- + Trend analysis of benefits utilization across major diagnostic categories.

Medical Cost Dist (Diagnosis)

Trend analysis of benefits utilization across individual diagnoses.

IBNR Estimate

Create an estimate of claims dollars incurred but not yet received based on a weighted average of historical experience.

Provider Cost Comparison

Compare charges and payments for specified procedures and/or providers.

Prescription Drug Summary

Prescription costs and dispensing information.

Key Utilization Indicators

Summary-level trend analysis of employee census and benefits utilization.

Stop-Loss Trigger Report (One Line per Member)

Abbreviated trigger diagnosis listing containing one line per applicable member during a specific timeframe.

Cost by Age Group

Review which age groups are incurring costs Cost Summary by Employee Per-employee/ member breakdown of claim costs.

Shock Claim Detail

Detailed cost and procedure information for high-claims members and the costs incurred.

Preventable Conditions

Displays conditions that might be prevented by behavior changes, and the group's cost associated with those conditions.

Stop-Loss Trigger Report

Provide diagnosis and procedure information for select key diagnoses.

Eligibility Overview

Provides a concise view of eligibility information.

Eligibility by Tier

Eligibility counts based on enrollment tier.

Flexible and Eligibility Claim Data Query

Review plan's healthcare experience database for information related to costs or utilization. Specify a time period along with other data filtering criteria when using the query.

Prescription Utilization Summary

Review prescription types, top 10 drugs by class and name for a specific timeframe.

Prescription Analysis

Analyze and drill-down to specified claim information related to prescription drug costs.

PREDICTIVE MODELING

IMA also utilizes predictive modeling tools to develop, assess and quantify plan design changes and population impacts. The power of IMA Analytics lies within its integration of information from DeerWalk and the Johns Hopkins Adjusted Clinical Groups® (ACG®) data and Healthcare Effectiveness Data and Information Set (HEDIS®) quality care measures. The IMA Analytics system can store multiple years of historic data which allows IMA and LONG to analyze any timeframe in addition to providing multi-year comparative analysis capabilities to assess risk and predict future plan and individual health costs.



BENCHMARKING

Anyone that has ever researched normative data knows that it can be difficult finding statistical benchmarks that adequately match the population of your group. IMA provides custom benchmarking for employer groups that will provide consistent year-to-year data, reporting formats and comparative benchmarks. This highly meaningful, yet understandable, information enables us to work together with your data in a continuous, interactive manner as plan management issues arise. IMA will make available to LONG benchmark data from all leading consulting organizations and resources available locally and nationally.

The following are our most common sources, but we can modify our benchmarking to use any sources that LONG would require:

Mercer Benchmarking Data

Segal Benchmarking Data

MSEC Benchmarking Data

Bureau of Labor and Statistics

Kaiser Benchmarking Data

MedStat

Access to this statistical information assists IMA in forwarding quantifiable data to you about local and national trends as they may relate to overall health care information.

We've listed a few of these studies below:

- + Health Insurance Premium Increases – Overall Employee Contribution for Individual Medical Coverage
- + Employee Plan Enrollment by Region
- + Medical Plan Average Premium by Industry
- + Benefit Cost as a Percent of Compensation
- + Benefit Cost as a Percent of Payroll
- + Health Coverage Variations by Industry and Size
- + Hospital and Surgical Coverage by Industry
- + Length of Hospital Stay by Plan Type
- + Percentage of Firms Offering HMO – by Region



17. How often can we expect you to provide claims data and self-funded reporting data for review? In what format is that provided?

DATA WAREHOUSE + ANALYTICS SYSTEM

IMA believes that the single most valuable technology tools pertinent to employee benefits programs are related to analyzing your data. We believe in a multi-faceted approach to analyzing data and reporting to our clients. It is our belief that medical and pharmacy claims should be analyzed bilaterally from both a clinical and financial basis. Analyzing data on a clinical basis will allow us to help LONG understand risks inherent in your population and how specific large claims might persist and impact stop-loss underwriting. Analyzing claims on a financial basis allows IMA to help LONG understand risk and claims utilization, develop strategy, allowing LONG to adjust the benefit plan to stay in front of risk and cost changes.

Using IMA People Analytics to align solutions with savings opportunities, IMA partners with dozens of cost management vendors to provide data driven solutions tailored to each client's unique utilization, contracting, and population health characteristics. IMA's data warehouse technology is powered by Deerwalk, which is considered the Gold Standard in evaluating all medical, dental, vision, prescription claim data, member eligibility and demographics, as well as ancillary data elements such as biometrics, case management, fixed fees and costs. Through IMA's partnership with Deerwalk, comprehensive data analytics solutions such as Milliman risk scores, predictive analyses, chronic condition assignments and care compliance metrics are brought together under one analytics platform to enhance insights while controlling data access.



IMA analysts and clients have access to our online portal. Analyst teams apply these insights to analyze and manage risks, identify savings opportunities, and implement solutions aligned with a client's specific situation.

RISK ANALYSIS & HIGH-COST CLAIMANTS

Impact of Risk Score (Benchmark: 1,000 risk score)
Risk Score: 0.829
Percent Impact: **-17.1%**
PMPM Impact: **-\$77**

3.1% of members drive 50% of costs.
12.0% of men
13 Members

Rising Risk Members:

Diagnostic Category	Relationship, Gender, Age	Medical Paid	Rx Paid	Total Paid
Pneumonia and Related Disorders	Employee, M, 56	\$170	\$108,580	\$108,750
Atrial Fibrillation	Employee, M, 56	\$93,093	\$3,036	\$96,129
Cancer Therapies	Employee, M, 63	\$86,472	\$0	\$86,472
GI Disorders, Other	Employee, M, 58	\$80,972	\$2,855	\$83,827
Wounds/Injuries	Employee, M, 41	\$399	\$72,101	\$72,500

OVERALL COST IMPACT SUMMARY

Impact of Demographics (Benchmark: 1,000 factor)
Demographic Factor: 0.886
Percent Impact: **-11.4%**
PMPM Impact: **-\$57**

Impact of Plan Design (Benchmark: 75% Act. Value)
Design Value: 75

Overall Impact

Four main characteristics impact a plan's cost: demographics, plan design richness, risk and utilization, and geography.

While risk score can be impacted through wellness programs, and plan design value is at the discretion of the employer, understanding the impact of each is important for understanding plan cost.

CARE COMPLIANCE

Key Preventive Services

Service	Current	Benchmark	Prior
Preventive Care: (Routine exam in last 24 months)	85.5%	74.4%	78.3%
Cholesterol Screening: (Ages 40-64)	43.4%	48.3%	36.5%
Mammography: (Women ages 50-75)	42.5%	50.1%	41.4%
Cervical Cancer Screening: (Women ages 21-65)	47.7%	52.0%	41.4%
Prostate Exam: (Men ages 50+)	37.7%	38.2%	26.2%
Colorectal Cancer Screening: (Ages 50-75)	13.3%	25.4%	12.3%

Disease Specific Compliance Rates

Condition	Current	Benchmark	Prior
Mental Health / Substance Abuse	66.7%	82.4%	100.0%
Diabetes (18 members)	33.3%	40.1%	9.1%
Hypertension (12 members)	75.0%	77.2%	62.5%
Hypertension (3 members)	58.7%	63.0%	53.8%

Additional key services without available benchmarks:

- Prenatal and postnatal care
- Well-baby and well-child visits
- Child vaccinations
- Flu vaccinations
- Chronic condition-specific medication adherence

CHRONIC CONDITIONS & DIAGNOSES

Top 15 Benchmark Chronic Conditions, by Benchmark Prevalence

Condition	Benchmark Prevalence Rate	Number with Condition	Prevalence Rate
Hypertension	8.8%	62	12.8%
Hyperlipidemia	6.3%	24	5.0%
Lower Back Pain	4.6%	23	4.8%
Diabetes	4.0%	18	3.7%
Depression	3.6%	27	5.6%
Asthma	2.0%	16	3.3%
Blood Disorders	2.5%	16	3.3%
ADHD	2.1%	13	2.7%
Osteoarthritis	2.0%	10	2.1%
Cancer	1.6%	9	1.9%
Obesity	1.5%	10	2.1%
Chronic Pain	1.1%	4	0.8%
CAD	1.0%	5	1.0%
Liver Diseases	0.8%	7	1.4%
Developmental Disorders Other	0.5%	2	0.4%

Top 5: Diagnoses With Highest Total Cost vs National Benchmark

- Septicemia
- Fracture Of Skull
- Labor and Delivery Related
- Atrial Fibrillation
- Severe Burns

Bottom 5: Diagnoses With Lowest Total Cost vs National Benchmark

- Musculoskeletal Disorders, Other
- Spine Disorders, Other
- Osteoarthritis
- Liveborn Infants
- Diabetes Mellitus

Of the top 15 chronic conditions (by prevalence rate):

- 10 were higher than benchmark in the current period
- 10 were higher than benchmark in the prior period
- 12 increased in prevalence between the prior and current period

FINANCIAL REPORTING

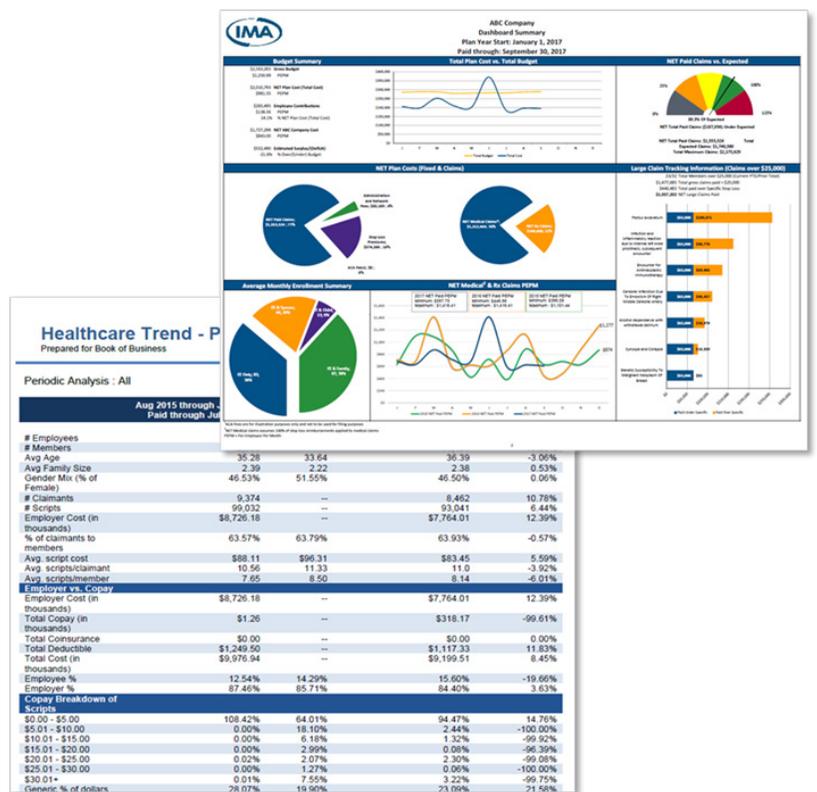
On a monthly basis, IMA will provide custom designed financial reports to LONG illustrating monthly and annualized claim expense data.

Claim and forecast reporting provided by IMA includes, but is not limited to, these key financial areas:

- + Monthly and/or quarterly Health/Rx/Dental Claims Expense Reports
- + Large claim tracking of 50% specific claim stop-loss threshold (health and Rx)
- + Actual vs. expected health claim budget projections
- + Employee contribution modeling
- + Incurred but Not Reported (IBNR) claim calculations (as needed)

Included in our scope of services is the period development of incurred but not reported (IBNR) reserves. IBNR estimates typically begin with reviewing claims payment patterns (obtained through lag reports) and combining that information with overall monthly paid claims history and large claims reports, with consideration for past runout history. Results are delivered with reserve estimates for each line of self-insured business, any reserving that you wish to include for non-claims items (for example, administrative fees) and a provision for margin, if requested.

Accompanying these results is a short narrative explaining any significant factors impacting IBNR reserves. IMA will work with LONG to determine the appropriate frequency of reserving; since reserves can be greatly impacted by month-to-month random variance, we typically suggest providing reserves no more often than quarterly. Our in-house actuary can provide an actuarial certified IBNR as needed by LONG's auditors.



18. Will your organization provide a wellness and preventive health analysis of our employees and claims experience?

Benefit plans and Whole Health initiatives are interconnected – they ultimately have the same goal of supporting the wellbeing and health of the client’s employees. As with our benefit plans, our Whole Health strategies for LONG would be driven by our data warehouse solution, IMA People Analytics, powered by Deerwalk.

This robust platform analyzes claims and pharmacy data and integrates them with metrics related to the health risks and chronic conditions evident in the client’s employee population. This is a powerful tool that not only uncovers cost-containment and plan design considerations, but it enables us to present a targeted, supportive Whole Health solution for that workplace.

We’ve supported our clients and their employees in this way ever since we launched the IMA Wellness practice in 2007. Since that time, we’ve helped our clients implement a wide variety of strategic Whole Health initiatives.

19. What resources do you use for benchmarking? Do you maintain a national database of clients across all major sectors and employee populations?

DATA WAREHOUSE

People Analytics houses 5 years’ experience per client. Analysts use the database to query any attribute for ad hoc reporting, for detailed claim- and member-level analyses.

CUSTOMIZED BENCHMARKING

IMA People Analytics provides customized benchmarking, allowing clients to think beyond standard industry benchmarks to analyze costs and develop tailored strategies to manage cost and impact population health.

This will allow LONG to compare costs to benchmarks customized to demographics and risk profile to understand savings potential, evaluate adherence to healthcare best practices and review savings for avoidable ER and inpatient stays, through place of service changes.

While industry-based benchmarks produce usable benchmarks, they often have several drawbacks, including having a smaller sample size and reflecting populations and situations which are dissimilar from a client’s specific situations. Our methodology for developing customized benchmarking incorporates millions of member lives while controlling for significant cost drivers to reflect a client’s exact characteristics.

Using these benchmarks, we can understand detailed outcomes produced by a client’s plan, to drive a course of action for improving care and benefit delivery.

CASE STUDY

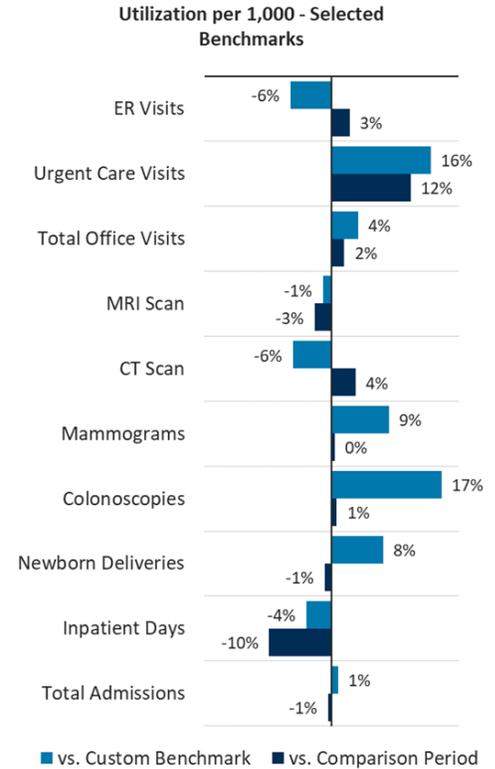
UTILIZATION: HIGH BARIATRIC SURGERY COSTS

PROBLEM: When comparing bariatric surgery costs to customized benchmarks, abnormally high bariatric surgery costs were identified

SOLUTION: Interface with TPA and cost containment partners to implement plan design changes and more stringent pre-utilization review processes

OUTCOME: Saved \$500,000 on avoided unnecessary bariatric surgery (over 1% of plan costs)

Chronic Condition	Member count (Rank)	Vs Benchmark			
		Members Per 1,000	PMPY	ER Visits Per 1000	Admits Per 1000
Hypertension	1	+9%	-53%	-49%	-50%
Cancer	8	-14%	-8%	+21%	-21%
Diabetes	3	-5%	-8%	-6%	-38%
Hyperlipidemia	2	-7%	-23%	-28%	-29%
Blood Disorders	6	-10%	-26%	-33%	-11%
Osteoarthritis	5	+2%	-54%	-39%	-7%
Depression	4	+37%	-36%	+5%	-19%



ACTUARIAL SIMULATION TOOL

Finally, we utilize actuarial tools developed by Claros Analytics to help understand the financial impact of various decision points. Our tools can help determine the impact of plan design changes or shifting populations, as well as help decide the deductible for stop-loss insurance and provide a range of outcomes using Monte Carlo simulations. With these insights we can recommend an appropriate budget based on your unique goals and risk appetite.





Legislative/ Compliance



20. Do you have in-house legal advisors who provide counsel to your clients? Please describe their qualifications. What additional fees are associated with that?

IMA has in-house attorneys as well as several outside counsel solutions. IMA maintains a partnership with ERISAFire and The Phia Group for counsel on specific ERISA and labor law issues that may arise in the management of benefit and health management plans.

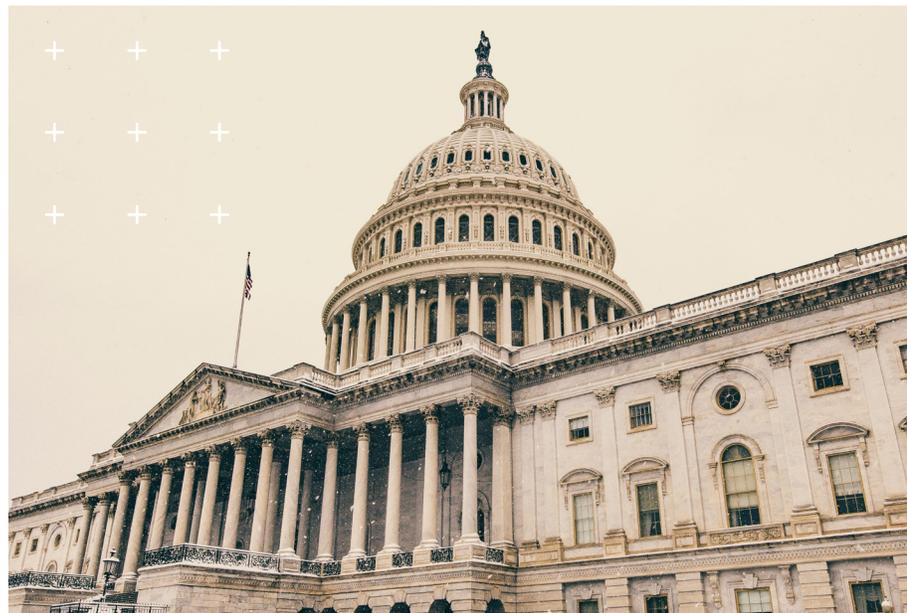
Craig Truitt is an attorney for IMA's Employee Benefits Compliance Practice. In this role, Craig serves as a strategic advisor to clients and IMA team members in the areas of health and welfare benefits compliance. Prior to joining IMA, Craig was a Senior Associate at the Traylor Law Group in Denver, Colorado. His extensive experience in employment law and litigation offers employers real-world perspective on the importance of compliance diligence for a company's risk management, relationships with employees and bottom line. Craig has a Bachelor of Science degree in Business Administration from the University of Arizona, as well as a Juris Doctor from the University of Denver Sturm College of Law, where he served as a senior editor for the *University of Denver Law Review*.

Craig has ten years of experience in employment law and employee benefits. He came to IMA after several years in private practice. IMA's Compliance Practice will work closely with your consulting team to provide robust support touching all aspects of employee benefits program.

These services are included in our fees and in the very rare occasion that there is a complex ERISA need, there may be an additional fee. This would be disclosed and discussed prior to taking action.



CRAIG TRUITT
*Employee Benefits
Compliance Attorney*



21. Describe specific resources you have in place to assist clients with benefits compliance. Do you have a system to remind your clients of upcoming compliance deadlines? If so, please share more details on that.

ONGOING COMPLIANCE AND REGULATORY (FEDERAL/STATE) MONITORING

IMA's Governance & Compliance practice is structured as a dedicated resource working in partnership with you and your IMA Consulting Team. This practice is led by **Craig Truitt**, Benefits Compliance Attorney. In this role, Craig serves as a strategic advisor to clients and IMA team members in the areas of health and welfare benefits compliance.

KC Rippstein is IMA's Employee Benefits Compliance Practice Lead, who has been with IMA since 2004 and helped to create this practice. He assists clients across the nation with compliance questions, reads new laws and regulations, communicates new rules to employers, and develops presentations and tools to facilitate compliance.

IMA's regulatory resources provide timely/urgent information on recent legislation, answer common questions and provide forms for COBRA, ADAAA, HIPAA, HIPAA Privacy, USERRA, FMLA, Medicare Part D and Section 125 plan administration. As a dedicated business partner, IMA takes significant pride in helping educate our clients about topics inside and outside of insurance.

KC is also available for ongoing one-on-one conference calls or meetings with our clients on an as-needed basis, coordinated by your Consulting Team.

As part of the LONG's onboarding, time will be scheduled to perform a full compliance review to identify short and long-term needs and objectives around compliance. IMA will prepare legislative updates that outline new benefit regulations and/ or clarify regulations that have been previously passed. In addition to a description of new laws or changes, IMA advises clients on how to modify administrative procedures to ensure compliance.

IMA maintains memberships in both local and national chapters of industry associations keeping us apprised of state and federal updates. To meet regulatory and legislative demands, IMA provides a full suite of compliance advisory services, including performing compliance reviews with each client and providing general and targeted communications, educational bulletins, webinar sessions and analytics tools.



KC RIPPSTEIN

*Employee Benefits
Compliance Practice Lead*



To meet regulatory and legislative demands, IMA provides a suite of compliance advisory services:



ACA Reporting

Basic support and resources provided through IMA specific to employer situation. Preferred partner vendors are available for actual reporting. Cost is negotiated and paid directly by employer.



Compliance Checklist

IMA's "Health & Welfare Benefits Compliance Checklist" is structured to provide a detailed narrative identifying the specific requirement, what action(s) is needed, timing requirements, penalties for non-compliance and practical comments.



Plan Document Review

IMA will conduct an annual plan document review to ensure that your plans are meeting the requirements delineated by COBRA, HIPAA, ADA and other statutes where applicable. As part of the annual renewal process, IMA will review all SPDs for accuracy alongside your legal counsel.



Disclosure Notices Compliance Guide

Our Disclosure Notices Compliance Guide is designed to provide HR staff members a checklist of notice requirements with interactive functionality. By simply clicking on a specific notice requirement, the user can access an in-depth outline of the purpose of the notice, responsible party, where the notice belongs, intended recipient, delivery rules, record keeping requirements, penalties for noncompliance and a link to the specific regulatory department's model language.



Alerts + Bulletins

IMA bulletins, alerts and legislative briefs are delivered to clients via email, typically one or two times per quarter, or as necessary. The objective of these communications is to keep our clients informed in a timely manner of any new developments or tools related to employee benefits and compliance news.



IMA University

IMA hosts at least three in-person educational events, called IMA Universities, in each of our markets annually. These events provide our clients with the opportunity to learn about a variety of topics relating to insurance and employee benefits. Each session is facilitated by an expert in the field. Recent topics have focused on Data Privacy/Cyber Risk Exposure, Health Care Reform, Annual Economic Forecast, Employee Integrity Testing, People-Powered Safety Leadership and Crisis Preparation.



IMA Compliance Webinars

IMA Webinars are held on an as-needed basis. Recent topics have focused on IRS Final HCR Reporting Overview, Individual and Employer Mandate and Penalties, Wellness after EEOC v. AARP, HSAs, HIPAA, and 2022 Provisions & Preparations.

ACA ANNUAL REPORTING

IMA's Compliance Practice publishes short educational videos on how to complete the annual ACA reporting with examples of what your forms should look like. Your IMA service team can help ensure that your payroll provider provides you the information necessary to populate Part III of your 1095-C forms. While our videos and examples should help you feel confident that you can audit your forms as completed by your third-party reporting vendor, IMA's Compliance Practice Lead, **KC Rippstein**, will review forms to ensure compliance.

22. How does your firm stay current with state regulations that impact multi-state employers?

IMA maintains memberships in both local and national chapters of industry associations keeping us apprised of state and federal updates. To meet regulatory and legislative demands, IMA provides a full suite of compliance advisory services, including performing compliance reviews with each client and providing general and targeted communications, educational bulletins, webinar sessions and analytics tools. **KC Rippstein** is also available for ongoing one-on-one conference calls or meetings with our clients on an as-needed basis, coordinated by your service team.

23. Do you assist clients in filing their Form 5500s? If so, are there additional fees?

IMA will provide signature-ready IRS Form 5500s to LONG for no additional cost.

The following services are included in IMA's Form 5500 Services: Form 5500 preparation and reporting assistance for all types of employee benefit plans; Extension preparation (Form 5558); signature-ready Form 5500s and all related attachments for pension plans and health and welfare plans (except audited financial statements); Compliance with the Department of Labor's mandatory electronic filing system.

24. Do you have service for completing WRAP document compliance? Is this service provided at an additional fee?

Simple wrap documents are included in our services. In the rare case of complex needs, there may be a charge which would be quoted as a pass-through project cost which runs between \$750-1500.

25. Do you hold annual compliance meetings and refreshers?

IMA will perform a comprehensive in-person compliance review led by ERISA counsel on behalf of LONG. This review serves as the baseline for assessment of LONG's compliance with federal, state & local regulations and will be repeated at a minimum of every three years or when significant federal regulatory changes occur.

In addition, IMA releases legislative updates and briefs via email & webinars which outline new benefit regulations and/or clarify regulations that have been previously passed throughout the year. The consulting team will bring attention specifically to any legislation that would impact LONG. In addition to a description of new laws or changes, we will advise LONG on how to modify administrative procedures to ensure compliance.





Wellness



1. What support do you provide to an organization's wellness initiatives?

Our in-house Wellness Advisor, **Jill DiGrappa**, is responsible for consulting with our clients that strive to integrate wellness into their corporate culture. Located in our Denver office, Jill thrives on her ability to discover where clients currently are within their wellness program, understand what their goals are and strategize how best to help them reach the outcomes they desire. **She works with all IMA account teams to find the right solution for each unique client to ensure customers feel supported in their wellness initiatives, and specifically provides support in the following areas:**



JILL DIGRAPPA
Wellness Advisor

- + Partner with your team to establish goals and objectives for your Whole Health program to include focus areas of prevention, mental health and financial health
- + Work collectively with IMA benefits consulting team to integrate Whole Health strategies with benefit program strategies
- + Collaborate with your carriers to understand what Whole Health resources and programs they can provide
- + Assist with the ongoing design of your strategic plan, including budget allocation for your wellness initiatives
- + Support your Whole Health communication needs and provide a year-long engagement campaign with monthly health education materials with ACA/EOCC/ADAAA/GINA regulations
- + Provide industry and market trend updates, measure success of Whole Health program strategy through analysis of data through IMA People Analytics (powered by Deerwalk) and report on engagement of individuals in the program (if the data is available)
- + Ensure Whole Health program is compliant
- + Vendor RFP process (if needed) to include the following:
 - Provide vendor recommendations and design of RFP questionnaire
 - Management of bidding process
 - Analysis and evaluation of proposals
 - Present side-by-side comparison of vendors/carriers to USS
 - Manage vendor finalist presentations
 - Collaborate with USS on recommendations for final selection
 - Project management of vendor implementation
 - Non-legal contract review





WHY “WHOLE HEALTH”

PREVENTION

- + Chronic diseases are the leading causes of death and disability
- + The major causes of chronic diseases are known, and if these risk factors were eliminated, at least 80% of all heart disease, stroke and type 2 diabetes would be prevented; over 40% of cancer would be prevented

FINANCIAL

- + 54% of employees say they want to make their own decisions but want someone to validate that decision
- + 54% of employees are stressed about their finances
- + 64% of employees are impacted by student loans
- + Most desired employer benefit desired (25% want access to unbiased financial counselors)

MENTAL HEALTH

- + Over 43 million American adults (18%) have a mental health condition, yet 56% are not receiving treatment
- + One in five working-age adults has a mental health problem
- + 12 billion working days will be lost to depression and anxiety each year up to the year 2030, which equates to an annual loss to the global economy of \$925 billion!
- + **42% of employees say their company provides no mental health support**

BEYOND STATS

Wellness has evolved into yoga in the park, kombucha, nap rooms at work, cauliflower-pizza-crust, mindfulness, grass-fed-rBGH/rBST/soy/preservative/gluten-free, milk made from things that can't technically be milked... we need a new term!

External resources + internal assets to provide data-driven solutions = opportunity to make a bigger impact for our clients.

Targeted Solutions Driven by Data Analytics



PROJECT EXAMPLES

SINGULAR STRATEGY CONSULTING

- + Building wellness committees
- + Whole Health strategies (participation to outcomes, starting from scratch, etc.)
- + Tobacco initiatives (surcharges, tobacco-free policies, best practices, etc.)
- + Behavioral health offering and access
- + Incentive strategies (timing, best practices, vendors, etc.)
- + Health fairs (recommend vendors, sample communications, timelines, etc.)

VENDOR PARTNER GUIDANCE/RFPs

- + Shortlister platform
- + Full RFP or just narrow down the options
- + Screenings, flu shots, wellness portals
- + Liaison between client and vendor
- + Contracting/negotiations

COMMUNICATION PLANNING

- + Year-long communication calendar
- + Content writing

2. Explain how your organization will be able to support LONG in the development of a long-term health risk management strategy.

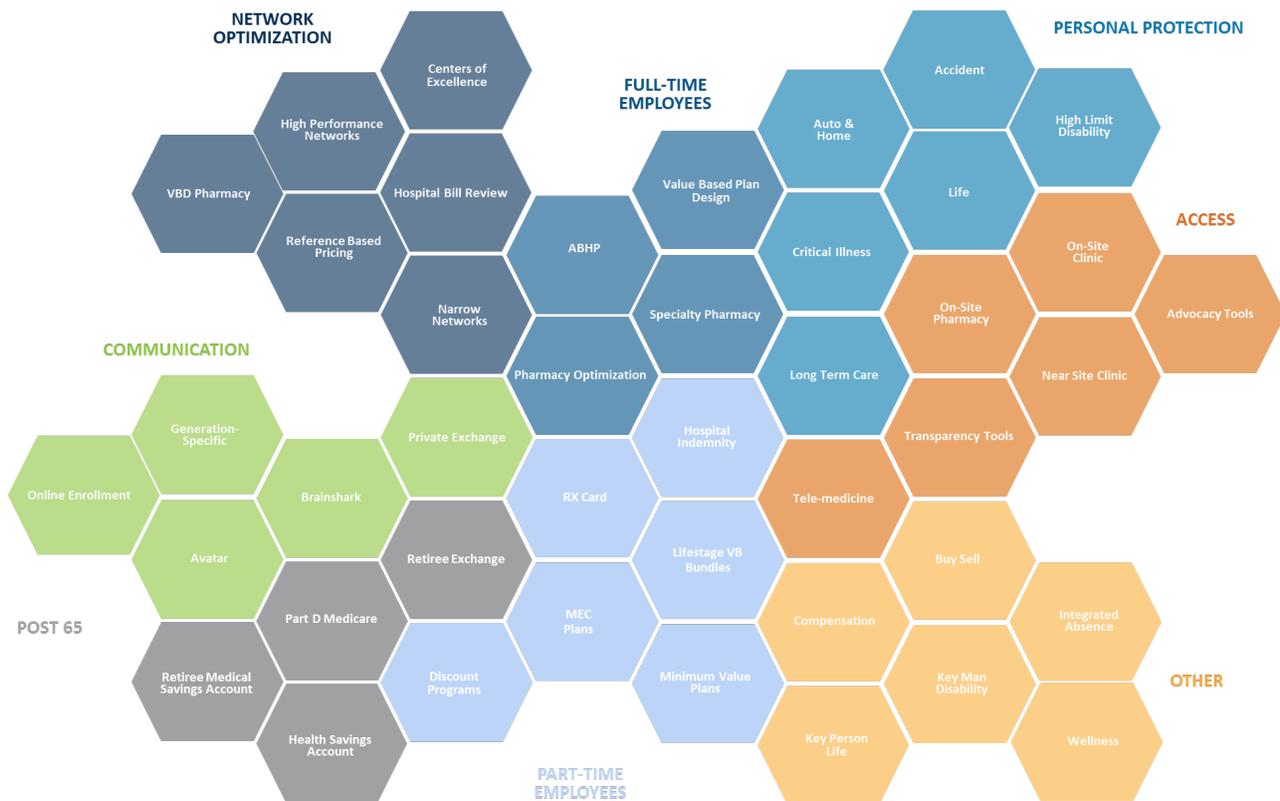
IMA's first step will be to listen to LONG's needs, expectations, and goals in order to determine a strategic long-term risk management strategy over both the short and long term. RFPs can only reveal a small portion of the scope of services needed, and we expect to gain a deep understanding of your short- and long-term goals through dialogue.

Secondly, IMA understands that keeping an eye on LONG's total benefit investment is critical as costs rise and plan auditing becomes tighter and more scrutinized. For this reason, we will meet with the senior management team to discuss the key strategies and activities that IMA is focusing on with HR. In those meetings we provide executive summaries that outline the various initiatives and strategies that we are focused on for your organization.

IMA's philosophy is based on challenging the status quo of today's employer-sponsored health and benefit solutions. We tailor our approach to each client's strategy, one-by-one, to meet your goals. When we need to go to market we bring leverage, yet our partners know that our representation is strategic. In addition, IMA's reputation as industry experts, innovators and honorable partners results in our position in the top echelon among brokers with our insurance carrier and related vendor partners (e.g., third-party administrators, pharmacy benefit managers et al.).

Value creation in benefits requires challenging the status quo. When challenging the status quo, IMA clients realize success in significant ways. Primarily, clients are realizing business value in overall benefit plan expense, improved member experience and organizational experience with Total Rewards.

We think broadly about what's possible and build value creation solutions. **Below is our honeycomb chart of possibilities available to manage the long-term risk:**



In health plan expense, clients are realizing business value in the following areas:

- + Radically lower claim costs than traditional, discount-driven PPO networks with reference-based claim reimbursement of all facility (inpatient and outpatient) claims.
- + Radically lower claim costs than traditional discount-driven PPO networks with reference-based reimbursement of specific claims of a disease state (e.g., renal dialysis due to Medicare eligibility of End Stage Renal Disease).
- + Profoundly lower drug costs with wholesale, pass-through prices of all prescription drug costs from the primary wholesale source directly to the plan.

In member experience, client employees and families are realizing value in the following areas:

- + Improved access to primary care via telemedicine strategies.
- + Zero cost or reduced cost of high value health services and supplies (e.g., diabetes medication and supplies).
- + Zero cost or reduced cost of specific, planned surgical events (e.g., knee and back surgeries) to high quality, lower cost facilities.
- + Direct access with concierge, priority clinical decision support (i.e., second opinion) from the top 3% of doctors in the U.S.

IMA'S SELF FUNDING STRATEGIES

IMA's capabilities and experience are wide-ranging in all funding methodologies for health insurance, including both fully insured and self-funded health plans. We can support nearly unlimited benefit plan arrangements, provider network configurations, and a full suite of medical management services that can yield significant savings to a self-funded employer. As health care increases continue to outpace inflation and employee earnings, employers are increasingly demanding greater transparency and control from self-funded health plans. IMA is nationally recognized as one of the industry leaders with self-funding strategies.

Approximately 2/3 of IMA's clients are self-funded with either a "bundled" or "unbundled" program so we have extensive experience evaluating self-funding strategies. IMA provides broad experience and consulting in both Administrative Services Only (ASO) and "unbundled" self-insured plans. IMA would therefore assist LONG in evaluating the pros and cons of self-funding via ASO or unbundled structures to determine its viability.

- + **Administrative Services Only (ASO):** IMA supports many clients who choose to work with large national carriers (Cigna, United Healthcare) on an Administrative Services Only (ASO) self-funded platform.
- + **Unbundled:** IMA also supports many clients who opt to "unbundle" all of the key components of self-funding (Third-party Administrator, provider network, pharmacy benefit manager, disease management) seeking interchangeable, best practices.

SELF FUNDING KEY CONSIDERATIONS

- + How much risk can you assume in the short-term?
- + How much risk can you assume in the long-term?
- + Can you transfer some risk to a reinsurance carrier? How much will risk transference cost?
- + Do the reinsurance carrier and TPA work well together?
- + What type of contractual terms for claims run out will a reinsurance carrier offer?
- + Evaluation of medical/Rx claim analysis. Are claims trending upward, flat or downward?
- + Large claims over stop-loss/possible lasering
- + Provider network evaluation
- + Corporate finances and liquidity/cash flow
- + Benefit plan design control: Do you want more or less?
- + Account management: One relationship or several with TPA
- + Self-funding with an insurance carrier (ASO) or with a TPA

IMA'S SELF FUNDING EXPERTISE

Health plans cannot continue to absorb annual cost increases of 5-10%, or more, for their healthcare premiums. Passing costs on to the members through higher cost sharing, minimizing cost increases through plan design modification, or leveraging a better rate by changing carriers are merely short-term fixes. These strategies have run their course over the last decade and employers are looking to their broker for tangible solutions that extend far beyond the annual “stoplight to stoplight” practices of benefits planning of the past. IMA has spent the last two decades developing a national reputation as an expert in self-funding strategies. As a result, we have extensive tools, institutional knowledge, and strategies for what is possible for LONG to consider for the future.

IMA's ideal strategy begins with discussions of “what's possible?” with self-funded plans detailed in various focus areas illustrated below:

COMPLIMENTARY PROGRAMS AND SERVICES WE SEE WORKING WELL TODAY:

- + On-site clinics
- + Whole Person Centric Care Management
- + Telemedicine
- + Clinical advocacy of second opinion
- + Pharmacy Benefit Management with transparent, pass through delivery models
- + Integrated strategies
- + Integrated Leave Management
- + Claim audit and review
- + Transparency and decision support tools
- + Direct payment provider strategies

COMPLIMENTARY PROGRAMS WE FIND NOT WORKING WELL TODAY:

- + Disease management, case management and utilization review
- + Traditional PPO networks
- + Pharmacy Benefit Management with traditional models
- + Wellness programs by insurance companies
- + Non-integrated strategies (*i.e., sharing of actionable data*)
- + 24-hour nurse lines

MITIGATING HEALTH + CLAIMS COSTS STRATEGIES

IMA has learned that there is a delicate balance that must be maintained between containing costs and offering rich employee benefits. Typically, businesses utilize benefits as a critical way to attract and retain employees due to the financial challenges to be competitive on pure compensation. For that reason, we would be foolish to suggest methods of saving money for LONG without gaining a more in depth understanding on how your plans have performed, how employees understand & appreciate the offerings and what funding strategies are available to LONG. We understand LONG is currently self-funded on the medical plan and would need to understand the current contract in place with the carriers. That said, below are some of the cutting edge industry trends that allow for cost containment as well as rich benefits offerings.

IMA's ideal strategy begins with discussions of "what's possible" with respect to saving money and maintaining rich benefits as detailed in various focus areas illustrated below:

SPECTRUM OF FUNDING

FULLY INSURED	SHARED FUNDING	BUNDLED SELF-FUNDED	PRECISION PURCHASING	ALTERNATIVE PURCHASING
<ul style="list-style-type: none"> + Pay monthly premium to insurance company + Pay monthly premium tax + Packaged offerings + Carrier controlled pharmacy solutions + Limited or no claims reporting + No audit rights 	<ul style="list-style-type: none"> + Administrative Services Only (ASO) + Packaged programs with option to customize plan offerings + Pharmacy Benefit Managers (PBM) partnerships + Limited external partners + Robust claims reporting + Limited audit rights 	<ul style="list-style-type: none"> + Administrative Services Only (ASO) + Packaged programs with option to customize plan offerings + Pharmacy Benefit Managers (PBM) partnerships + Limited external partners + Robust claims reporting + Limited audit rights 	<ul style="list-style-type: none"> + Third-party Administrator (TPA) + Flexibility to choose carrier partners + Transparent Pharmacy Benefit Manager (PBM) + Competitive stop loss marketing + Full transparency: claims reporting and audit rights + Medical Tourism/ Direct Contracts 	<ul style="list-style-type: none"> + Referenced based pricing + Individual Coverage Health Reimbursement Arrangements (ICHRA'S) + Patient Protection and Affordable Care Act Penalties

NETWORK EVALUATIONS

Over the course of the past several years, the value proposition of Preferred Provider Organizations (PPOs) has come under increased scrutiny. The truth is that health care costs are an intricate and complex balancing act between price and utilization. While there are many different approaches to evaluating the effectiveness of a PPO network, the discounts that are applied to services can vary greatly. Thus, having a set of governing measures is critical to evaluating a network's effectiveness.

Rate discounts for plan sponsor stop loss are somewhat reflective of the effectiveness of a network, both on the specific rates and the aggregate factors. Pure savings reports are generally not enough information in setting these discounts.

At IMA, we consider the following in PPO network discounts:

- + Network penetration and breadth
- + Actual provider contracts
- + Geographic coverage and influences
- + Network utilization statistics
- + Actual discount statistics to validate contracts

Network penetration and breadth – Plan sponsors want convenient, geographic access as well as choice for their health plan participants. In order to maximize the coverage utilizing a managed care network, it is also important to the risk taker to make sure that the coverage is adequate. This does not mean that all facilities in a location will be in the network. If too many facilities are included, there would not be adequate steerage to drive down the negotiated fee schedule.

Review “Actual” Provider Contracts – Actual contracts between the network and the provider is the most revealing document available while evaluating the actual agreed upon discount. In the absence of provider contracts, a plan sponsor may be provided an average discount report or something similar on an aggregated basis. While not always available, the comparison of the contracted terms to the actual discounts is a critical step in the review process.

Geographic coverage and influences – Various regions in the US have cost variances including basics such as cost of living, localized provider practice pattern differences, state regulation, etc. An example of provider practice patterns is the high utilization of expensive specialty facilities which causes costs for all care to push up. Specialty hospitals focus on the higher margin services limiting the ability of primary facilities to subsidize across an adequate spectrum of margin generating services. Understanding the differences in a network that is very large will explain the acceptable variances in the contracting methodology and therefore apply to the pricing. It should be noted that it is critical to assess networks and geographical cost differences in tandem. Failure to do so would severely limit the usefulness of any analysis aimed at estimating the final cost of claims

Actual Discount Statistics – In a perfect world, the discounts can be validated through a comparison of what actually was paid versus the contracted rate and/or discount. When looking at a very large network or a tightly managed regional network, this comparison can tell us about the volume and size of claims running through the facility as well.

In order of importance, the actual hospital contracts are highly beneficial. This is what drives catastrophic claims savings. On the first dollar side, physician claims discounts can be evaluated by looking across inpatient, outpatient, and general physician claims. The actual discounts seen in the claims data do not often match the published discounts in the contracts. As mentioned above, this is why it can be effective to compare the contracts versus the claims paid.

Although not all of these items are typically available or provided, working with your network to obtain as much information as possible will assist in this regard. In addition to the comparison of “discounts,” plan sponsors must also consider the cost of access.

The actual net claims cost is not the discounted charge but the discounted charge with any cost of access added back in. Access is generally purchased by plan sponsors either as a per-employee-per-month fee or a percentage of savings. A question that must be answered in evaluating access fees relates to what is reasonable. If a significant discount is obtained, one must question whether the original charge was not inflated.

NARROW + TIERED NETWORKS

IMA has extensive experience with narrow and tiered network arrangements due to our broad self-insurance expertise. This has become a growing trend in order to contain medical costs. Principally, we are concerned with employee/family network awareness as insurers can use narrow networks to lower premiums, but consumers have little information on the tradeoff between lower premiums and network size, and the potential financial burden of out-of-network care.

In IMA's work, a **"narrow network"** is the type of network that has become more prominent in the ACA's individual market exchanges, with considerably fewer providers than has been typical in the group market and in which providers are included based primarily on price discounting.

"Alternative network" is a focused network that is not based primarily on price discounting. Instead, these are networks that lay some claim to being "high performance," based on a mix of cost and quality criteria. Leading examples include networks formed by, or based on, a prominent health system or an accountable care organization (ACO). Also, when forming a high performance network, insurers can use cost criteria in a way that focuses on overall "value," meaning that measures of practice patterns and/or health outcomes are considered rather than simply fee-for-service price discounting.

"Tiered networks" are structures often used to form alternative networks. Unlike conventional narrow networks, for which non-participating providers are entirely out of network, tiered-network structures give patients a choice (and a financial incentive at the point of service) of whether to seek care from the most preferred providers.

"Centers of excellence" are particular facilities contracted to provide specialized services for specified high-cost services, such as organ transplants, certain surgeries (orthopedic, bariatric), or complex cancer treatments. Sometimes employers require enrollees to use these designated providers, but more commonly their use is optional (although often incentivized through reduced cost sharing). Therefore, centers of excellence do not represent the type of full-scale network option presented at the point of enrollment.

IMA will coordinate all employer network strategies with the TPA(s) to ensure the claims are processed correctly in these types of arrangements.



3. Provide an example of a wellness program you implemented with a company like LONG in size and industry. What were the challenges and how did you overcome them?

IMA partnered with a client of similar size and industry as LONG to develop a campaign to support their goal of enhancing their focus on mental health within the workplace, including:

- + Held initial discussions regarding mental health in the workplace, including:
 - Discussed the spectrum of opportunities the client could consider with regard to mental health initiatives
 - Explained trends, risk factors and stigma within their industry
 - Reviewed strategies other organizations had implemented and how this client could incorporate those ideas into their strategy
 - Outlined how all employees within the company can make an impact on mental health
 - Addressed how multiple areas of wellbeing impact mental health, and reiterated the importance of building a holistic approach to wellness
 - Assessed resources and partners currently in place that we could tap into for support
 - Examined national and local resources to promote to employees
 - Evaluated the diverse vendors and tech-based solutions on the market today
- + Outlined next steps and built a custom strategy for the client, including:
 - Created a year long communication calendar emphasizing a different area of mental health each month
 - Produced ready-to-deploy communications for each month and an activity/event the client could incorporate
 - Developed “talks” on a variety of mental health topics (opening the conversation, suicide, stress, substance abuse, etc.) that managers could use to facilitate the dialogue with their employees during regular team huddles
 - Recorded a webinar that outlines the mental health tools and resources available to employee
- + One of the challenges we experienced was the negative stigma around mental health in this clients’ workplace. Historically, mental health wasn’t a topic addressed at their worksites and employees weren’t comfortable with the idea. To overcome this challenge, we gathered input from a diverse array of employees to understand the stigma and barriers within the culture. We then built a robust communication campaign to address the “why” behind focusing on mental health so employees understood the purpose of this initiative. Through these consistent communications, we minimized the stigma around mental health and opened the conversation and network of support within the population.

4. What is your process for determining success or failure of a wellness program?

IMA understands that success looks different to every organization. Leadership may define a successful wellness initiative as seeing a decrease in medical costs. A wellness committee member may define success as high participation in a lunch 'n learn seminar. An employee may define success as feeling supported in their wellness goals at work. We work closely with each client to define which metrics would provide a solid benchmark of their programs that is meaningful, demonstrates the desired impact of the wellness program and can be measured year over year.

To effectively measure success, we would strive to collect as much data on your wellness program as possible. We typically look at enrollment/engagement/completion rates of certain program components, cohort health risk data, medical/Rx metrics, survey feedback and industry norms. Our IMA People Analytics system allows us to compare health data alongside medical and Rx claims to paint a powerful picture of your population risk, as well as understand future areas of focus.

Beyond objective data, we also believe in collecting subjective employee and leadership feedback to understand how your wellness initiatives are impacting your population. With adequate types of data, we can determine if wellness initiatives are meeting your goals, and if not, use that data to make strategic enhancements to ensure we reach desired outcomes.

Every employer is unique, and we have conversations with each client to determine what success looks like to them. Based on this information, we will provide guidance on realistic goals to strive for and we outline how we can measure it.



5. Describe your proposed form of compensation (i.e. commission, annual retainer, fee-for-service). If you are proposing a fee, please include your fee schedule/hourly rates. What services are included in your proposed fee?

Our goal is to find a compensation methodology that is equitable for both LONG and IMA. We want to find a fair amount that allows IMA to deliver our full arsenal of resources on an “anytime, anywhere, anyplace” basis for the benefit of LONG. Our compensation proposal takes expected service demands, resources to be allocated, and the senior experience level of the LONG service team into consideration.

IMA does not have enough information to determine a firm compensation amount, but the majority of our clients select IMA first and then negotiate the final compensation terms. However, given the number of employees and multi-state needs for LONG, we believe the range for an annual fee would be \$70,000-100,000. IMA believes in total transparency and will provide same to LONG.

We are flexible on invoicing and structure for the annual fee; we can establish installments (monthly, quarterly, other) based on LONG’s preference. If LONG prefers a PEPM approach, we will back into a PEPM amount based on currently enrolled employee’s equal to \$100,000 for year 1 and subsequent years.

IMA proposes a subjective performance guarantee of 50% of our Base Annual Fee for three years. LONG will receive an annual compensation report from IMA to ensure our fees don’t exceed our agreed upon targets or expectations at LONG. IMA believes in full transparency in all of our partnerships and IMA will provide LONG with a competitive compensation agreement while ensuring accountability.

We want to be LONG’s partner for a long time to come. We are flexible and open to different compensation models. We also understand there can be synergies if additional business IMA is awarded at a later day (i.e., surety, property & casualty, etc.). IMA welcomes the opportunity to discuss compensation in more detail to make sure LONG is 100% comfortable with the compensation arrangement. We rarely lose a deal because of compensation and feel that open negotiations between LONG and IMA will result in the best agreement for both parties.

In addition to the fees at risk requested by LONG, we are willing to put a total of 50% of our fee at risk based upon LONG's satisfaction.



6. LONG will require a performance guarantee that includes (10% of fees at risk):

a. Return calls within 24 hours = 2.5%

Agreed.

b. Mid-year review of plan within 2 weeks of target = 2.5%

Agreed.

ANNUAL CLIENT SERVICE PLAN

Once a strategy is developed, IMA will establish a meeting to finalize an Annual Service Plan specific to LONG. Although it seems like a simple idea, many years ago we implemented an automated Annual Client Service Plan to ensure delivery of the promises that we make to our clients and manage all services provided by each selected vendor. IMA will develop a customized Annual Client Service Plan for LONG to formalize responsibilities, with a timeline so all parties can be assured of transparency and accountability. Typically, we schedule quarterly meetings to review plan performance, discuss goals and objectives, plan for upcoming renewals, and coordinate enrollment meetings. Regardless of the task, the Annual Client Service Plan is the key tool we utilize to continuously evaluate our relationship with clients as well as adapt to changing client needs.

c. Delivery of renewal 120 days out = 2.5%

Agreed.

d. General: Accuracy, responsiveness, customer service to HR team and employees, etc. = 2.5%

Agreed.

7. Please explain your policy on override compensation from carriers.

a. Do you accept? We expect credit to your fee when overrides reach certain levels.

IMA believes that contingent income arrangements are legitimate forms of compensation as long as it is transparent to the client. This income is not paid to anyone, rather goes directly to our bottom line to be used to reinvest in IMA's value added resources and people which benefit our clients and our teams. IMA will provide complete transparency of our income sources as part of the annual requisite CAA & 5500 disclosures as well as upon request. If a client requests that IMA not receive this contingent/supplemental compensation, IMA can accommodate.

We agree to credit our fee when overrides reach certain levels.

b. Do you limit?

We have limited our income when requested by a client for their specific account.

c. Do overrides, bonuses, or other additional compensation influence where you put my business?

The teams that service IMA clients are not privy to any of our arrangements or with whom we have arrangements, this is kept strictly at the leadership level. This is done with intention and purpose as we want our teams to consult for the best interest of our client.





Other/References



8. Describe any other facets of your organization and your firm's experience that are relevant to this proposal which have not been previously described and that you feel warrant consideration.

DREAM COACH

IMA employs Dream Coaches, **Beth Lenherr** and **Brad Jeffress**. Beth and Brad are available for all IMA associates to provide clarity for their goals, ambitions, and dreams through encouragement so that associates see their contribution, potential, and purpose.

What is the purpose of a Dream Coach?

Coaches are here to help bring associates to new insights, to help articulate goals and dreams for the future, and help associates move in that direction.

A Dream Coach isn't meant to be a therapist, whose focus would be on working through things from the past that are preventing someone from moving forward. Therapy is an amazing tool, but coaches focus on where associates are right now in the present, help them articulate what they want to get out of the future, and create a plan to get there.

DUE DILIGENCE PROCESS

IMA is available during LONG's M&A investment cycle to provide due diligence for all aspects of the business opportunity, including Employee Benefits, P&C, Workers' Compensation, and Retirement planning. IMA has numerous internal subject matter experts who are assigned to the Due Diligence process to provide their expertise in evaluating plans, potential risks, any liability concerns, and overall operational expense projections. Following the completion of the Due Diligence process and post-close, the assigned IMA Service Team will work closely with LONG to determine operational expectations as well as the related integration processes and procedures necessary to integrate the acquired firm and its employees in the most cost-efficient manner possible.

Laura Earley is a Due Diligence Specialist on the Employee Benefits team, supporting the IMA Taft Hartley and Government practice. Prior to coming to IMA, Laura spent 22 years in the employer/HR space managing benefit programs for such companies as Sports Authority, Richmond Homes and Children's World Learning Centers. As a Certified Employee Benefits Specialist and a member of the Governing Council of the International Society of Certified Employee Benefits Specialists, Laura has had tremendous career experience in the M&A world. During her tenure in the HR space, Laura has managed benefit consolidation and divestiture activities for the numerous firms she worked with. From acquisitions to divestitures, mergers and public-to-private M&A activity, Laura has had direct responsibility for the administration of benefit programs for newly-acquired firms and managing the transition process as part of Transition Services Agreements. When Laura joined IMA to serve our clients in the benefits space, IMA tapped into Laura's real-world experience to help guide, lead and advise our partner firms during their M&A activities. Laura's hands-on expertise, as well as her education and benefits background, make her an ideal partner for our M&A advisory services.



LAURA EARLEY

Due Diligence Specialist

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG)

What used to be “Corporate Sustainability” now has a new name: **“ESG”**: **Environmental, Social and Governance**. Investors, Private Equity, Investment Bankers and Regulators are all applying increasing pressure onto companies to elevate their ESG profiles. With climate change commitments taking center stage, it appears ESG will continue to dominate the business news headlines again in 2022.

ESG-focused companies receive favorable lending rates, enjoy as much as a 15% uplift in profitability and dividend returns, and outpace their competitors by 3 %-5 % on ROI.

Private equity investment is taking notice as well, and incorporating ESG into their investment due diligence, understanding that portfolio companies with solid ESG profiles can bring higher multiples upon exit by companies who want to elevate their ESG performance with a turn-key, bolt-on subsidiary.

IMA guides Private Equity clients to transition from protecting value with insurance to creating value during underwriting, and finally to growing value by deploying sound ESG business practices.

ESG Value Creation Process

If LONG would like to explore this topic further, IMA has built relationships with some of the biggest national consultants, whereby we can coordinate an initiative to help clients and managing partners elevate their scores, tell an impactful story, and elevate interest from investors.

LEAVE MANAGEMENT

As federal, state and local regulatory changes continue to impact our clients, we are bringing solutions to better manage leave of absence including vetting of fully outsourced options or technology platforms that can better support HR teams internally. The liability and exposure that is created by loosely managed leave is of growing financial concern to our clients with the average FML lawsuit ranging from \$300K-\$400K. Intermittent and unreported leave of absence is also an area that many of our clients are seeking to find solutions to reduce exposure.

9. Is your firm able to provide annual benefits/compensation statements?

Partnering with LONG and your current payroll vendor, IMA has the capability to prepare draft Benefit Compensation Statements for LONG's employees as requested, or help LONG identify a partner to help streamline the process.

10. Any other resources offered that have not been addressed?

VOICE OF THE EMPLOYEE

We've developed a comprehensive Voice of the Employee (VOE) feedback tool to help our clients capture important employee perspectives on a variety of topics. This kind of information can guide and support company leaders as they explore whether and how to move forward on various internal programs.

The carefully worded questions in our survey solution can provide important insights on these and other topics:

- + COVID-19 return to work
- + Safety
- + Net Promoter Scores (NPS)
- + Diversity, Equity and Inclusion (DEI)
- + Benefits preferences
- + Total rewards preferences
- + Employee engagement

Our VOE tool also includes employee communications features that help ensure maximum response rates and candid feedback. The tool presents the feedback in dashboard formats that synthesize the data to clearly identify trends and employee priorities.

VOICE OF THE EMPLOYEE CASE STUDY

On behalf of an energy company client, and in support of their new leadership engagement initiatives, we customized a Voice of the Employee (VOE) survey regarding leadership performance. The leadership also wanted to determine and begin to track their employee Net Promoter Score (eNPS). We crafted the survey to elicit this employee feedback through a variety of lenses, including age, location, tenure and other variables.

We launched the survey within our survey platform and the company distributed the tool via text, which dramatically improved participation rates. Our team of experts supported the client through each step of the process – from survey design, to launch, to analysis using our interactive analytics dashboard.

The results indicated that the company would be well-advised to provide additional individual support as opposed to team-oriented support. Employees also indicated that the company was missing opportunities to acknowledge and praise individual successes. The company coached their managers on these issues and the situations have measurably improved.

Over the next four years, as the company tracked eNPS using our VOE tool, this important metric more than tripled – from 11 to 36. Much of that gain is credited to improvements in leadership transparency, since the owner is fulfilling their commitment to share employee feedback results with all employees in meetings. Eighty-five percent of employees have pointed out that this communication has been effective and powerful.

We continue to support this company's Voice of the Employee feedback program and we expect this positive momentum to continue given how the company diligently responds to this important data.

Please provide three references (two current, and one former customer).

CURRENT CLIENT REFERENCES

HASELDEN CONSTRUCTION

AMANDA SPARKS – *Director of Human Resources*
amandasparks@haselden.com | 303.728.3748

Overview of Services: Unbundled Self-Funded Medical plan, Dental, Vision, Life & Disability, EAP, FSA, Health Advocacy, Telemed, and Supplemental Insurance

Haselden Construction is a general contractor in the front range with locations in Colorado and Wyoming. IMA is engaged for a full scope of services with our P&C, Benefits, Surety and IMA Wealth practices for a comprehensive risk management and employee engagement strategy. The Benefits practice scope includes data analytics, utilization review, marketing and renewal consulting, communications, actuarial services, day-to-day service, benefit administration technology support, Open Enrollment support, strategic consulting, and more.

SAUNDERS CONSTRUCTION

JODY COLE – *Director of Human Resources*
j.cole@saundersinc.com | 303.617.6524

Overview of Services: Unbundled Self-Funded Medical plan, Dental, Vision, Life & Disability, EAP, FSA, Health Advocacy, Telemed, and Supplemental Insurance

Saunders is a Denver based premier provider of comprehensive construction management, general contracting, and real estate development services. IMA is engaged for a full scope of services with both P&C and Benefits. IMA's Benefits Consulting services include strategic planning, financial budgeting for their benefits program including unbundled self-funded medical and pharmacy plan, actuarial services, reporting and analytics, escalated service support, and more.

FORMER CLIENT REFERENCE

GE JOHNSON CONSTRUCTION

KASIA KING – *Executive Director of Human Resources*
kingk@gejohnson.com | 719.822.4388

Overview of Services: Unbundled Self-Funded Medical plan, Dental, Vision, Life & Disability, EAP, FSA, Health Advocacy, and Telemed

GE Johnson Construction is a self-performing general contractor with operations in the Rocky Mountains and Central Plains region. IMA is engaged for a full scope of services with our P&C, Benefits and Surety practices for a comprehensive risk management and employee engagement strategy. The Benefits practice scope includes data analytics, utilization review, marketing and renewal consulting, communications, actuarial services, day-to-day service, benefit administration technology support, Open Enrollment support, strategic consulting, and more. GE Johnson was acquired by DPR Construction in 2021 and will likely be moving away from IMA in 2023 due to the acquisition.



About IMA Financial Group

IMA Financial Group, Inc. (IMA) is an integrated financial services company specializing in risk management, insurance, employee benefits solutions and wealth management. It is the third-largest privately held and employee-owned insurance broker in the country and employs over 1,700 associates.

