



RESPONSE TO REQUEST FOR PROPOSAL

to provide EMPLOYEE BENEFITS BROKERAGE & CONSULTING SERVICES

JULY 14, 2022



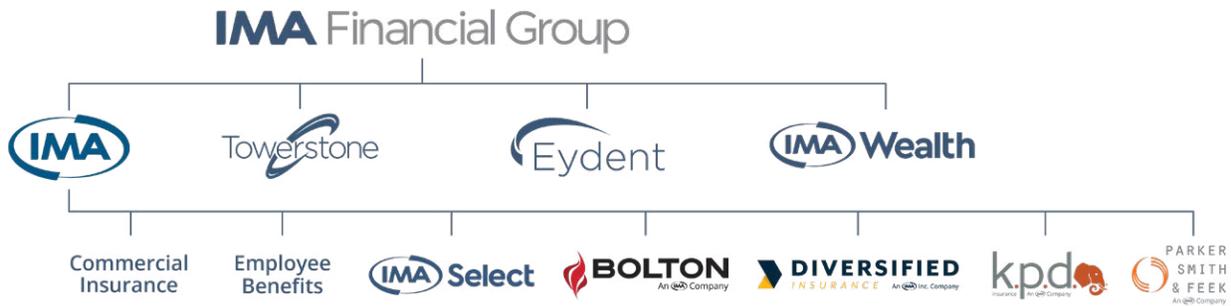
A. GENERAL COMPANY INFORMATION AND ACCOUNT SERVICE TEAM

- + Provide a brief history of your firm including size, volume of business, locations, and number of years in 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.

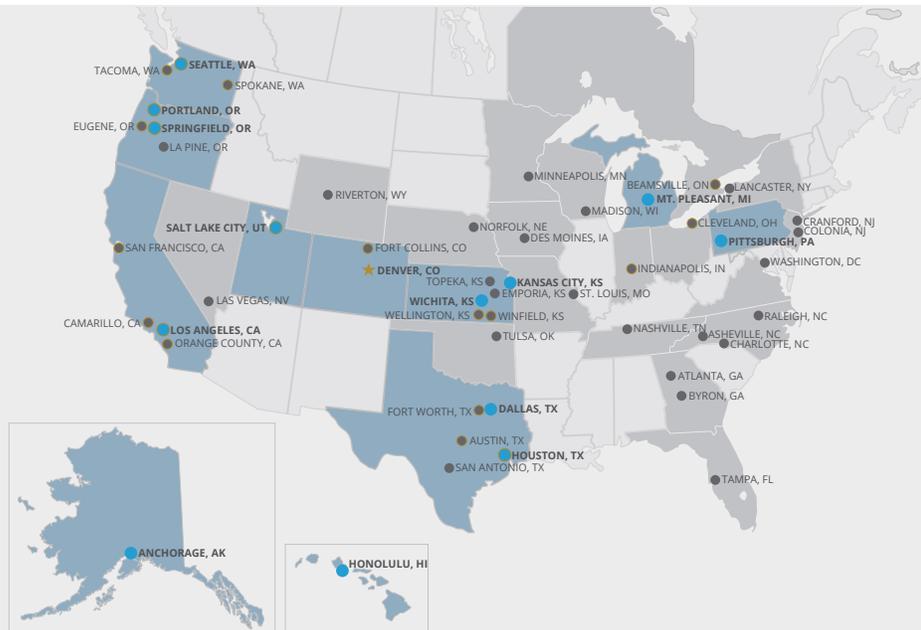
IMA was founded in Wichita in 1974, and Wichita remains our corporate office. IMA's relationship with AirX Climate Solutions (ACS) began with the Coleman Companies in 1978 and continued with successive companies through the present date. We have deep knowledge and a history of consulting for heating and cooling industry clients.



OFFICE LOCATIONS

IMA operates hub offices in 11 states:

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



IMA FAST FACTS

- + Incorporated in 1974
- + 3rd largest privately-held broker in the country
- + 21st largest broker overall
- + Employee-owned
- + Over 1,700 employees
- + National in reach, local in service
- + Premium placements of over \$8 billion annually
- + Revenues in excess of \$450 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

IMA
REINVESTS
2X
NATIONAL AVERAGE
IN CLIENT SERVICES

EMPLOYEE OWNED
45 FOR OVER
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.

- + Provide your company’s philosophy on providing benefits consulting, as well as your corporate mission, vision, and values.

IMA’s business philosophy in employee benefits consulting begins by listening. We do not make assumptions on our clients’ identities, business goals, desired value propositions or strategies. Every client is unique so **we choose to make listening a priority** so that we can gain the understanding and context to provide tailored solutions and support. IMA’s employee benefit consulting is embedded in a comprehensive, “everything is on the table,” challenge to the status quo of today’s strategies. Our consulting approach gets to the heart of the matter in what’s driving the organization’s employee benefits goals and what’s possible in the solution design. IMA’s business philosophy provides value to ACS because our consulting begins with the approach that everything is questioned without adherence to products. We dive deep into innovation and can bring solutions that usually sit outside normal markets and channels as we seek to serve your best interests.

Our existing clients will tell you that we are innovative in our approach and bring creative solutions to your employee benefit needs. It is imperative that we stay ahead of new insurance programs and employee benefits strategies to ensure our clients receive industry-leading consulting advice. IMA celebrates and encourages a culture of learning and transparency. Whether it be an investment in technology or workflow changes, our teams are looking to continually improve both worker and client experience. Our reputation is very important to us, and we believe we need to earn our clients’ loyalty each and every day through candor, empathy, collaboration and accountability. **Our business model revolves around people.**

IMA CULTURE AND 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.

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 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 their 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. ACS 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.

+ **Detail the number of employee benefits clients currently served and the average demographics of your client base.**

IMA's Benefits division has over 250 associates servicing over 3,000 clients company-wide, with an average size of 350 employees in all 50 states. Most of our clients are significant companies in their community with a regional footprint and demographics spanning all five of today's workforce generations.

+ **What distinguishes your firm from other broker/consulting firms?**

We are uniquely able to invest in value-added services for clients, at **2x the national average** and truly partner with our clients. Our structure has enabled us to maintain a model focused on service and value rather than revenue or profit generation. Simply put, owners behave differently and are more invested in your success.

We passionately believe in our team's ability to bring knowledge and integrity, while challenging conventional thinking to provide ACS a customized client experience and clear strategic roadmap to provide the best employee experience and support you in clearly communicating that plan to your employees and their families.



- + **Proof of errors and omissions insurance with a minimum limit of \$1,000,000 per occurrence. Describe the proposed team that would work with ACS and provide information about the qualifications and expertise of each team member.**

An **Errors & Omissions (E&O) certificate** is included in the appendix.

The team proposed for ACS is customized to its needs and will be led by **Megan Larsen** as the Account Executive, supported by **Galen Young** as an Executive Sponsor and **Peter Hein** as the Technical Consultant.

Megan and her team have collaborated with each of their clients to establish highly personalized benefit programs that represent the individual values and objectives of those entities. The goal is to empower ACS by setting in place a deliberate benefits strategy that employs active plan management and target benefits consulting. Megan's expertise is in crafting high-value benefits programs aimed at employee recruitment and retention, while utilizing her background in human resources management. ACS's dedicated team will all be actively and continually engaged in the ongoing management of ACS's benefits program. Our consultants are always available to their clients, working in constant collaboration with the other team members.

Detailed biographies for each member of the team may be found in the appendix.

- + **Megan Larsen** is the Account Executive dedicated to service ACS and will serve as the lead consultant, guiding the ACS team through the annual client lifecycle as the "quarterback" and strategist of the account team.
- + **Michael Charon** is ACS's Account Manager. He will be responsible for all service-related issues, contracts, compliance, and project management and will be ACS's day-to-day contact.
- + **Peter Hein** is the Technical Consultant overseeing analytics, underwriting, cost projections, and other financial concerns. He will guide the analytics and underwriting teams to ensure that ACS's health and welfare program is financially healthy and sustainable.
- + **Galen Young** is Vice President and Director of Employee Benefits. He will ensure that Megan and the rest of the consulting team has access to any resources needed to execute strategy, as well as serve as a strategic consultant for ACS.
- + **Kristi Gjellum** is IMA's Executive Vice President and National Client Experience & Partnership Leader and will serve as ACS's executive sponsor. She will be available for critically escalated carrier concerns, ACS feedback, and other items of import to ACS's leadership team.

Your team has decades of experience in health and welfare consulting and are empowered and encouraged by IMA to stay on the forefront of best-in-class strategies and emerging benefits trends.

- + **How often does your team meet with your clients and for what purposes?**

One of the first tasks for ACS's consulting team will be to set a meeting cadence with the staff responsible for the direction of ACS's benefits program. At the onset of our partnership, we would suggest scheduling a brief, bi-weekly call to build a healthy rhythm of communication. Our goal is to discuss logistical and short-term goals and we will meet with ACS during major meetings to discuss strategy, renewal, utilization, compliance, and communications. 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 ACS will ensure an alignment of a multi-year strategic plan meeting your specific needs.

We know that you are busy and responsible for many tasks and initiatives beyond employee benefits. What matters to us is that both ACS and IMA are clear on expectations, goals, current priorities, and responsibilities. To do so, with your input, IMA will create and manage a custom service plan for our partnership to formalize responsibilities, with a timeline so all parties can be assured of transparency and accountability. Regardless of the task, the Annual Client Service Plan is the key tool we utilize to continuously evaluate our relationship with ACS as well as adapt to your evolving needs. In addition, this is a useful tool to benchmark the service we deliver throughout the year.

The client lifecycle illustration below is a typical example.

2023 TIMELINE | SAMPLE

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 (if needed) + 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

+ How many clients does the proposed Account Executive (or functional equivalent) service acquisitive companies?

As part of IMA's unparalleled investment into its resources, teams, and services, IMA Account Executives work on smaller-than-average books of business consisting of 15-20 clients. This allows **Megan Larsen**, your dedicated Account Executive, to focus more of her time on ACS's strategic plan, acquisition integration, and other valuable projects.

+ Describe your internal mechanism for ensuring customer satisfaction with your services.

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, 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 (NPS) 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**. Primarily, clients only leave IMA following company mergers or acquisitions.



+ Describe your approach to the ongoing training of your staff.

All members of the team assigned are experienced and licensed employee benefits professional with diverse backgrounds. Our consultative philosophy of being **educational and informational** for our clients starts first with our own focus on growing our knowledge and experience.

We place a high priority on continuing education and development for our team so that we can improve our expertise in order to be educational and informative to our clients. Internally, we have a Learning & Development department who, with Benefits leadership, develops curriculum for each functional team. This continuing education focus ranges from participation in training provided by internal and external expert resources to professional designation programs to a daily commitment to associate mentorship and is led by **Jon Briggs**, our Director of Learning & Development.

IMA also has frequent and periodic collaborative meetings amongst various role categories (e.g., AE/Strategic Consultants, Account Managers, Analysts, Technical Consultants, Market and Unit Leaders, etc.) across our national footprint with the agenda of idea sharing, problem solving, skill sharpening and emerging trend/topic discussions. The goal is for associates to constantly learn from each other for their benefit and the benefit of our clients. These meetings are memorialized, and necessary action is taken to ensure we are constantly improving our Benefits practice. Periodic deep dives into technical areas (underwriting, financial analysis, strategic support, emerging solutions, etc.) are provided and are led by recognized internal and external subject matter experts.

Additionally, IMA also supports and encourages the pursuit of formalized additional training, learning, and credentialing of its staff members through time off to pursue affiliated learning opportunities and incentivizing the completion of training programs.

+ Describe your methods to update clients on employee benefits market trends and compliance topics.

We email financial and compliance bulletins, alerts and legislative briefs to our clients one to two times per month, and more frequently as critical issues arise. We take very seriously our role in keeping our clients informed of new developments related to employee benefits and compliance.

EMPLOYER EDUCATION SERVICES

We would use a variety of resources and forums to support the important work of ACS's Benefits and HR teams, including compliance updates and webinars from leading subject-matter experts.

WEBINARS

In our issue webinars, accessible to our clients only, we engage the services of compliance and other experts to present critical benefits information. Recent topics have included Final HCR Reporting Overview, Revisiting the Fundamentals of Employer Shared Responsibility, W-2 Reporting, Determining Full-time Employee Status, Individual and Employer Mandate and Penalties, 2022 Provisions and Preparations and COVID-19 Return to Work.



ALERTS AND BULLETINS

We email financial and compliance bulletins, alerts and legislative briefs to our clients one to two times per month, and more frequently as critical issues arise. We take very seriously our role in keeping our clients informed of new developments related to employee benefits and compliance.



HUMAN RESOURCES

It's not always practical to expect our clients to consider benefits apart from broader HR issues. That's why we also provide them with on-demand access to an extensive scope of HR compliance resources through Mineral™.

The Mineral HR compliance platform includes:

- + Access to HR and legal experts in a Help Desk arrangement
- + An employee handbook builder
- + A job description creator
- + An HR compliance library
- + Employee training modules on important workplace issues like harassment and safety

FLAGSHIP PUBLICATIONS

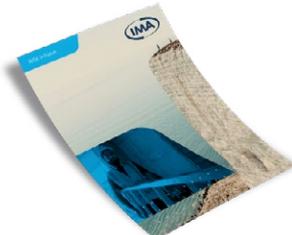
We also provide clients with the latest general insurance updates and industry-specific news to foster a true partnership relationship. We want them to have the tools to make the best decisions for their risk management program and improve their understanding of risk management philosophies and trends.

Below are a few of the publications we distribute.



MARKETS IN FOCUS

A quarterly publication that provides commentary and in-depth analyses on general insurance market trends as well as industry-specific insurance trends.



RISK IN FOCUS

A semi-annual publication that discusses important emerging industry-specific risks that could adversely impact clients and their risk management programs.



INSIGHTS, ALERTS, + TRENDS (IATS)

Email list of carefully curated, industry-specific news articles that are relevant to our clients' risk management programs.

BENEFITS INNOVATION & INSIGHTS SUMMIT

Our Annual Benefits & Innovation Summit is a full-day event focused on learning, collaboration and sharing ideas with your peers on a variety of themes. We bring in industry experts to address an assortment of benefits, HR and total rewards related topics.

The 2022 Employee Benefits & Innovation Summit was held in May at Mile High Stadium in Denver, Colorado. This year's focus was on a changing and redefined workforce and the framework and solutions employers are engaging to attracting, retaining, and developing associates.

B. CASE STUDY

- + Marvair is currently self-funded while CAPS is fully insured. Please describe your approach to migrate and harmonize the CAPS plans. Include timeline, areas for opportunities, and concerns.

Before integrating a fully insured plan into a self-funded model, it is important to understand the benefits and risk involved. IMA performed this evaluation in the past for ACS and its predecessor companies and would obviously continue to evaluate this in the future. As Marvair exited the Airxcel plan, IMA evaluated fully insured as well as self-funded options for the ACS team to consider. In the end, to protect the plan from potential run-out exposure from the Airxcel plan, moving to self-funded was the best option. Self-funding also made the most sense from a financial standpoint but also for the long-term strategy of merging the CAPS plan with Marvair's plan for 2023 and beyond. Once the decision to move to self-funding was made, the desire was to limit the impact of the transition out of the Airxcel plan by mirroring the coverage that was currently in place. IMA negotiated with carriers to mirror as much of the plan designs and pricing as possible. In some instances, this resulted in mirroring plan designs and benefit offerings that are not as common in the market and were a result of Airxcel's prior acquisition activity and carrier relationships. We utilized actuarial modeling tools developed by Claros Analytics to assess and analyze the risk to Marvair across the fully insured and self-funded spectrum. For the stop-loss, IMA evaluated multiple deductible levels from different carriers and worked with the ACS team to set this at the appropriate level for the Marvair population and risk tolerance.

The goal in merging multiple plans is to do so with the least amount of disruption to the population while finding the optimal long-term arrangement for the combined populations. Given that both populations are of a similar size, IMA would recommend doing a full network evaluation to determine which national network would be the best fit for both populations while also considering potential future acquisitions IMA could also evaluate what narrow networks or HMO networks these carriers could provide for the current population based on employee zip codes. Network options will be impacted by the access available to Marvair's population and access to limited or tiered networks will likely not be an option for this population given the already limited access to medical care for these employees. If the goal is to continue to offer the Charter HMO plan that is currently offered to the CAPS population, then the plan would have to move to UHC ASO as they are the only TPA with access to this network. A full network access and disruption analysis would be recommended but the Charter HMO network would likely be accessible for the more urban populations in Houston and Oklahoma City.

From a plan offering standpoint, IMA's goal would be to meet with the ACS stakeholders to discuss the differences in plan designs and offerings for each company as well as to provide benchmarking data to illustrate where each plan exceeds or falls short of benchmarks. From this conversation, IMA would recommend offering 2-3 medical plan options that would blend the plans currently being offered by both Marvair and CAPS. ACS could continue to offer a limited network HMO style plan but access to this plan might be limited to certain population based on geography. IMA would utilize our tools to run Monte Carlo simulations to illustrate a range of likely outcomes to help ACS understand risks when blending the self-insured and fully insured populations as well as in pricing plans that are limited in availability to portions of the self-funded population. IMA recognizes the opportunity to bring some aspects of the current Marvair plan offerings more in line with benchmark while also recognizing that items like removing out-of-network benefits might have a larger impact to fully insured premiums than they would to self-funded plan costs depending on out-of-network utilization and network access.

IMA would then market lines of coverage as necessary while also evaluating plan design and calculating claims projections for the combined populations. Given that CAPS is currently fully insured, medical plan data might be limited or not available. IMA would work with the information that is available including demographic data, prior and future renewal data and any available claims data to best assess the risk of bringing the CAPS population onto the self-funded plan. IMA has also already put some safeguards in place to help limit the impacts of future potential risks to the plans like stop loss contracts with No New Laser and Renewal Rate Cap provisions and the Rx volatility management program through OptumRx.

The ideal timeline for this type of project would be to start these conversations at the end of Q1 or early Q2 with the goal of having the desired plan designs, network evaluations and potential marketing's completed by the end of Q3; however, implementation and tactical steps will be addressed immediately with the ACS team to identify the best internal timeline.

+ Describe the steps you will take in reviewing ACS' current employee benefit plans and develop a long-term 3-year strategic plan. What is your approach to supporting our programs throughout the plan year?

Our approach to engaging with clients is to provide full-service consulting which includes in-depth engagement and expertise in the areas of **Strategic Consulting, Technical Consulting, Compliance** and **Service Support**.

Below is a high-level summary of the services included in each of these components.

STRATEGIC CONSULTING

FORWARD LOOKING, ACTIVE MANAGEMENT

Protection Provided:

Control Rising Benefit Costs | Fiduciary Compliance

- + Determine client goals/philosophy for benefit strategy
- + Full benefit plan consultation/design
- + Cost containment solutions
- + Strategic audit and analysis
- + Industry trends/solution evaluation/strategy benchmarking
- + Multi-year strategies – active management
- + Funding strategy and analysis:
 - Fully insured, level-funding and self-funding

TECHNICAL CONSULTING

INFORMED, DATA-DRIVEN DECISION MAKING

Protection Provided:

Accurate Budgeting | Manage Reserves | Cost Control

- + Customized financial reports
- + Benchmarking
 - Plan cost and design
- + Monthly claims report and analysis
- + Funding, reserves and contribution strategy
- + Stop loss deductible and budget analysis
- + Renewal marketing/negotiations
- + Predictive analytics

COMPLIANCE

PROTECTING YOUR PLAN

Protection Provided:

Avoid Litigation + Penalties | Fiduciary Compliance

- + Annual compliance review/meeting
- + Compliance assistance
 - ERISA, COBRA, HIPAA, ADA, FMLA, 5500 Form
 - ACA and Federal Laws
- + Plan document and contract reviews (non-legal)
- + Notification requirement reminders
- + Periodic newsletters/updates
- + Compliance webinars and ThinkHR access

SERVICE / SUPPORT / COMMUNICATIONS

EXTENSION OF YOUR TEAM

Protection Provided:

Member Satisfaction | Vendor Accountability

- + Carrier/vendor liaison
- + Assistance with escalated claims issues
- + Assistance with billing issues
- + Routine touch-base calls
- + Project management (implementations, etc.)
- + Communication support

IMA's approach to developing strategy for our clients is one established in our proven, effective, innovative, and 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'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 ACS will ensure an alignment of a multi-year strategic plan with the specific needs of ACS.

The plan will be augmented by the ongoing evaluation of ACS'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 service team led by **Megan Larsen**, IMA will continue to support ACS with a team of industry specialists who are unparalleled in the brokerage marketplace. We have subject-matter experts in the areas of compliance, employee engagement, wellness, employee communications, data analytics, cost containment, supplemental benefits, Medicare, and technology advisory services to ensure your expectations are fully met. Each of our markets boast a Specialty Health Lead who is dedicated to understanding the best practices and innovations of the top performers in our industry. with local specialists in each of our markets, they are able to focus on trends and vendors specific to markets and regions.

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.



The following illustrates a sample three-year strategic plan.

SAMPLE 3-YEAR STRATEGIC PLAN

2023*	2024*	2025*
<p>OVERALL</p> <ul style="list-style-type: none"> + Measure ACS acquisition strategy and target portfolio + Maximize on current offerings: <ul style="list-style-type: none"> - Re-promote programs - Find efficiencies - Identify collaboration opportunities + ACS/IMA Wellness Review + Explore mental wellbeing solutions + Focus on place of service <p>MEDICAL/Rx PLAN</p> <ul style="list-style-type: none"> + Market TPA/PBM + Renew Carrier + Market Stop Loss + Review Clinical + Recommendations – PBM <p>ANCILLARY</p> <ul style="list-style-type: none"> + Market Life/Disability – leverage Marvail renewal + Market Vision – leverage CAPS renewal 	<p>OVERALL</p> <ul style="list-style-type: none"> + Continued development of mental wellbeing strategy and programs + Continued focus on place of service <p>MEDICAL/Rx PLAN</p> <ul style="list-style-type: none"> + Ongoing Med/Rx performance review, plan updates + Renew TPA + Review PBM for 1/1/2025 Effective Date + Review Retiree solution + Market Stop-loss + Review network options <p>ASK EMPLOYEES FOR FEEDBACK</p> <ul style="list-style-type: none"> + Launch IMA Voice of Employee Survey 	<p>OVERALL</p> <ul style="list-style-type: none"> + Measure performance of wellbeing strategy + Measure performance of place of service solutions implemented <p>MEDICAL/Rx PLAN</p> <ul style="list-style-type: none"> + Ongoing Med/Rx performance review, plan updates + Review plan design set-up + Explore new industry strategies <p>ANCILLARY</p> <ul style="list-style-type: none"> + Negotiate renewals <p style="text-align: right;"><i>* Indicates year of project rather than implementation</i></p>

While we continually review, vet, and recommend solutions that are intended to control future claims cost, our innovation in the private equity space is one area that is starkly different from consulting with retail clients. **A chart has been included in the appendix** which 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.

This strategic approach is multi-faceted. We partner with our clients to combine this philosophy with each client’s specific goals and wants, benchmarking, and a significant amount of client-specific data.

+ In your opinion, what are at least three major challenges companies our size face and how will your firm help meet these challenges?

Based on our experience with mid-market acquisitive organizations generating revenue under \$250M, we believe that these are the areas that might be the most challenging for ACS:

1. EMPLOYEE RETENTION AND MULTI-GENERATIONAL WORKFORCE

Today's employers must be competitive within an industry reflective of the diversity of our modern society, and the word "benefits" has a very broad meaning in today's workforce. From adoption assistance to retirement and employee ownership, today's potential employee is evaluating current and potential employers based on their Employee Value Proposition (EVP) – and not every employee values the same benefits the same way.

While attracting talent to ACS represents one challenge, retaining top talent as ACS grows could also be challenging. ACS represents a specialty vertical in HVAC, which means top talent is highly sought after and may often be poached for an elevated position or opportunity. Creating a value proposition that resonates across generations and a wide range of demographics, including compensation, is crucial to retaining your elite personnel.

While our consulting teams customize strategies unique to each client, below are some strategies and examples of how we help maximize employee benefits for existing and future employees.

VOICE OF THE EMPLOYEE | RECRUITMENT + RETENTION TOOL

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
- + Diversity, Equity and Inclusion (DEI)
- + Employee Engagement
- + Safety
- + Benefits Preferences
- + Net Promoter Scores (NPS)
- + Total Rewards Preferences

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.

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. Our tool can provide standard and thoughtfully pre-crafted questions, or we can work with ACS to craft a survey that provides customized feedback.

TARGETED BENEFITS

A common challenge facing today's employer is ensuring that the benefits being offered provide the most value possible to employees and their families; with a multi-generational and increasingly diverse workforce, employers need to ensure that their program is carefully crafted. 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. By doing so, IMA clients realize success in significant ways: overall benefit plan expense, improved member experience and organizational experience with Total Rewards.

2. COST OF PROVIDING EMPLOYER-SPONSORED HEALTHCARE

Employers of every size must contend with the rising costs of healthcare, and IMA will help make sure your investments in the employee value proposition are targeted, measured and generating a return.

It is no longer good enough to address rising healthcare costs with increased deductibles, contributions, network discounts, or stale wellness programs consisting of fruit in the break room. Top performers today are looking at value-based benefits, predictive modeling, cost-plus reimbursement strategies, and programs that get members back to their providers and out of the expensive medical facilities. IMA will work with ACS to evaluate the spectrum of opportunity and help meet your benefit goals. 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 in self-funding strategies.

Approximately 2/3 of IMA's clients with under 1,000 employees are self-funded with either a "bundled" or "unbundled" program; we have extensive experience evaluating self-funding strategies and implementing those that would be best for ACS and its subsidiaries. IMA provides broad experience and consulting in both Administrative Services Only (ASO) and "unbundled" self-insured plans. IMA would therefore assist ACS in evaluating the pros and cons of self-funding via ASO or unbundled structures to determine its viability.

IMA'S SELF-FUNDING SUCCESS STORY PHARMACY BENEFIT MANAGER (PBM) AUDIT

IMA analyzes client's actual prescription drug charges compared to the marketplace. Contractual enhancements, discounts and hidden revenue streams at the Pharmacy Benefit Manager (PBM) are analyzed and negotiated annually to provide clients a transparent cost containment contract. IMA provides plan sponsors with a detailed report that includes a prescription-by-prescription analyses that enable the sponsor to compare their current pharmacy benefit manager (PBM) drug prices to optimal drug prices with best-in-class PBMs.

IMA defines "optimal" drug prices as prices provided by PBMs who operate with a zero-spread price, 100% pass-through, one MAC price list that ultimately can reduce pharmacy drug costs from 10-40%. IMA does not accept compensation from PBMs and as a result we are able to bring an independent, unbiased approach to pharmacy benefit cost containment.

3. COMPLIANCE

Companies of all sizes must ensure that they are navigating a complex landscape when offering benefits, but the health and welfare compliance environment for mid-sized companies is ever-changing and is growing more complex every year.

IMA will provide guidance and support to ensure that ACS is compliant and keeping regulatory risk to a minimum in these core areas:

- + Self-funding and plan sponsor responsibilities
- + ERISA compliance, PPACA calculations, HIPAA task reviews
- + Leave management: state, FMLA, ADAAA
- + Wellness (outcome-based or participatory)
- + Nondiscrimination testing and contribution rules
- + Cafeteria plan compliance

- + Based on your understanding of the Marvair and CAPS's employee population, please advise if there are any specific network concerns or opportunities we should consider.

Network analysis is key to effective cost management – whether it is evaluating a different strategy or completing due diligence on the current strategy. When that analysis is performed, it is imperative to evaluate not only the financial elements of the network (i.e., discounts, Medicare pricing, direct contract terms), but also the disruption of the currently utilized providers and a comparison of the access to providers for members.

Based on IMA's prior experience with Marvair as a division of the Airxcel plan, we know that overlapping network access to medical services will be limited for this population because of Marvair's rural geographic footprint and CAPS's reliance on a closed, local network plan centered around Kelsey-Seybold clinics in the Houston area. Marvair's geographic footprint has impacted prior network decisions as well as plan design decisions when part of the Airxcel plan, but these were also impacted by other factors for that population. Therefore, accessing a broad national network is likely a necessity and will benefit the plan if future populations are brought onto the plan as well. Depending on ACS's desire to offer different plan and network options to different populations, this might also limit the plan's ability to use narrow, tiered or alternative networks as well as using strategies like referenced based pricing that are more easily implemented with urban populations that have more access to care.

We'd recommend that ACS implement a broad national network for at least 1-2 plan offerings and explore the use of an HMO plan to help reduce the costs for services for populations that have access to these networks. Future considerations would be to also explore options such as Centers of Excellence or medical tourism with direct payment providers and other strategies IMA can help in evaluating.

- + Identify how your team would creatively approach putting a program in place with networks that accommodate both rural and urban populations.

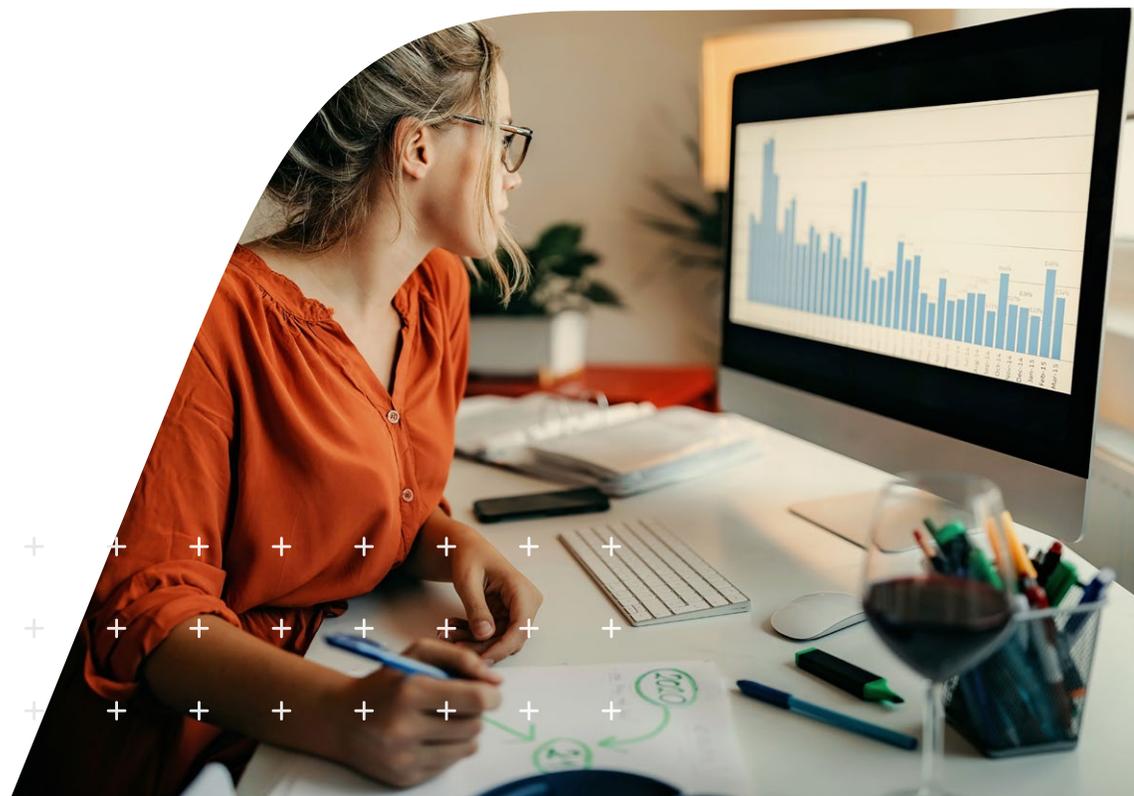
Health care costs are an intricate and complex balancing act between price and utilization, and pricing deltas can be stark between urban, suburban, exurban, and rural populations. Through data-driven insights, IMA has the experience and expertise to ensure that ACS's dispersed population obtains the best discounts without sacrificing access or employee experience.

While there are many different approaches to evaluating the effectiveness of a 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.

- + **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 U.S. 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 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.
- + **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.

Based on these criteria, IMA would evaluate the network options that best fit ACS’s needs and desires. IMA would also evaluate what narrow or tiered network options might also be available through the TPA and determine if these might be good options for all or portions of the ACS population. Often network access is limited at the TPA level and often there are plan requirements and limitations associated with accessing full and narrow network agreements that would need to be considered when structuring the plan and network offerings.



- + Are there new coverage options that we should consider in seeking proposals for health insurance services (i.e., onsite clinics, PBMs, voluntary benefits, etc.)?

IMA begins its approach to benefits consulting with the question, “what’s possible?” We use our strategic framework to determine the fit for both non-insured and insured benefits.

PROGRAMS AND SERVICES WE SEE WORKING WELL TODAY:

- + Salary-based contribution strategies
- + Whole Person Centric Care Management
- + Telemedicine
- + Clinical advocacy of second opinion
- + ACO and HMO Networks for populations with desired access
- + Pharmacy Benefit Management utilizing mass purchasing strategies such as a GPO
- + Integrated Leave Management
- + Transparency and decision support tools
- + Steerable medical tourism
- + Direct payment provider strategies
- + Voluntary programs (accident, critical illness)
- + Family forming benefits (infertility, adoption assistance)
- + Benefits that enhance DEI initiatives – access to financial resources, removing barriers to benefits based on sexual orientation, ensuring bias is removed from benefits
- + Self-directed benefits like Lifestyle Spending Accounts (LSAs)

COMPLIMENTARY PROGRAMS WE FIND NOT WORKING WELL TODAY:

- + Disease management, case management and utilization review
- + Onsite clinics for employers with a disperse population
- + Pharmacy Benefit Management with traditional models and wellness programs through insurance companies
- + Non-integrated strategies (i.e., sharing of actionable data)
- + 24-hour nurse lines

+ Detail your benchmarking capability and access to survey data.

Benchmarking is a critical element of benefits data analytics. Comparing a client’s plan performance, benefit utilization and cost metrics against industry standards helps our analysts identify high-cost areas of a client’s plan. Because of our long history working in professional sports, we are uniquely positioned to provide benchmarking specific to your industry.

We utilize an in-house tool, **IMA People Analytics**, powered by Deerwalk, to obtain over 1,000 benchmarking metrics from over four million members, with the ability to isolate by certain industries. We also purchase, collect and cross reference current, reputable healthcare industry surveys. Client service teams use this information to evaluate ACS’s plan performance, comparing, for example, utilization, cost per service, claims costs, demographic and other data points to identify and understand abnormalities compared to peer populations. This, in turn, generates insights that can guide population health management programs and cost management solutions.

It’s important to understand that industry-based benchmarks can produce helpful information, but they shouldn’t be relied on alone. This data should be reviewed in conjunction with customized benchmarking, peer benchmarking and even national benchmarking to provide more complete insight.

IMA People Analytics integrate a spectrum of benchmarking strategies to help clients understand the market and opportunities:

- + Nationwide benchmarks: Overall trends, survey data
- + Industry benchmarks: Demographic trends, survey data, claims data when your own data isn't credible
- + Peer benchmarks: Benefit offerings, recruiting, competitiveness
- + Customized benchmarks: Claims data and utilization, detailed analysis

+ Describe how your firm can assist ACS' employees with claim related issues.

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 as 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 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 Manager 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 ACS's benefit programs.

In addition, the **IMA Call Center** will be available to ACS 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.

+ Do you have a process in place for tracking communication between you and your clients? Describe.

In IMA's dedicated team model, the Account Manager takes on the role of liaison and project manager and will be responsible for documenting ongoing conversations with ACS staff regarding benefit programs. In addition to standards around preservation of communications on IMA's internal file sharing system, **the team is responsible for ensuring clear and mutually agreed upon communication within the following areas:**

- + Purchasing/binding of coverage
- + Contributions, rates, premium equivalents
- + Termination and renewal decisions
- + Budget and forecasting decisions
- + Compliance direction
- + Major directives
- + Escalated claims or other concerns
- + Any other material issues

+ What steps do you take to help ACS assess potential wellness initiatives?

WELLNESS

Our in-house Wellness Advisor supports our clients that wish to integrate wellness into their corporate culture. Our approach to corporate wellness initiatives, also referred to as Whole Health, is to first discover what the company is currently doing to promote wellness and then collaborate with them to define new or expanded goals based on feedback and claims data. From there, we develop a suggested plan to achieve those goals.

We would be prepared to provide ACS this range of programmatic Wellness support:

- + Partner to establish goals and objectives for your Whole Health initiative that address prevention, mental health and financial health.
- + Support from our Benefits Consulting program team to integrate Whole Health initiatives into your overall client benefit program strategies.
- + Collaborate with your carriers to determine the Whole Health resources and programs they are able to provide.
- + Assist with the design of your Wellness strategic plan, including budget allocation for various initiatives.
- + Provide you with industry and market trend updates.
- + Measure the success of your Whole Health strategy based on available utilization data from the IMA People Analytics data warehousing platform.
- + Provide a non-legal perspective on whether your Whole Health initiative is compliant with ACA/EEOC/ADAAA/GINA regulations.
- + Support your Wellness vendor RFP process as needed, including:
 - Providing vendor recommendations
 - Designing RFP questionnaires
 - Managing the bidding process
 - Analyzing and evaluating proposals
 - Presenting side-by-side comparison of vendors/carriers
 - Managing vendor finalist presentations
 - Collaborating on recommendations for the final selection
 - Managing the vendor implementation
 - Providing non-legal contract review
- + Support your Whole Health plan by developing an ongoing employee engagement communication campaign with education materials.



+ Describe how your firm will provide value with Rx and Pharmacy Benefit Management (PBM) analysis.

A large component of IMA's proactive strategic planning approach to consulting is an analysis of cost drivers, including pharmacy spend, utilization, and medication adherence. These strategies can take many shapes, but IMA will always recommend solutions that fit within the overall benefit strategy.

For example, carriers can make several tweaks to a bundled, administrative-services-only contract where claims administration, pharmacy benefit management (PBM), and stop-loss all fall one under one umbrella. Including value-based formulary drug lists can incentivize members to use the most cost-effective medications with the best outcomes for patients. Additional pharmacy edits are also possible, such as requirements for step therapy for expensive medications, mandatory generics, or mandatory mail orders. In order to determine the feasibility of the solutions that may impact employees, a member disruption report would need to be requested and analyzed, and significant employee communications must be coordinated.

An alternative example would be an unbundled scenario, where claims administration, pharmacy, and stop-loss are independent of one another and would allow more flexibility for cost containment. When managed independently, plan price negotiations are possible. Items for negotiation would include average wholesale price, maximum allowable cost, dispensing fees, administrative fees, and manufacturer rebates. When manufacturer rebates are returned to the client, it provides maximum transparency into the pricing of the pharmacy plan. To determine the best terms for an unbundled PBM, we request that PBMs participating in the RFP re-price our client's most recent 12 months of claims to determine projected cost savings.

Finally, IMA works with several purchasing cooperatives and group purchasing organizations for prescription services, and IMA continuously evaluates these collaboratives to ensure the best outcomes for individual client contracts.

Case studies are available in the appendix.

+ Describe your experience and expertise in moving clients from a fully insured to self-insured (self-funded) medical and dental plans. Include how you will help us develop a risk and reserve strategy.

Megan Larsen, Peter Hein and their team are experts in the mechanics of utilizing self-funding as a method of funding employee benefit plans. Further, IMA is very active in **Self-Insurance Institute of America** with **Kristi Gjellum** (IMA Denver) sitting on various committees. Megan and Peter have deep experience transitioning clients from fully insured to self-insured, and she would be leading this transition for ACS, should you decide to go down that path.

IMA's capabilities and experience are wide-ranging in all aspects of funding mechanisms for health plans. Megan's team manages clients with different types of self-funded 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 costs continue to outpace inflation and member earnings, employers are increasingly demanding greater transparency and control from self-funded health plans. IMA provides broad experience and consulting in both Administrative Services Only (ASO) and "unbundled" self-insured plans.

IMA's deep history in self-insurance began more than 25 years ago, following our company's roots in risk management and our clients' desire to retain more risk. Some of our extensive work in self-insurance includes designing, building and managing national self-insured medical stop-loss captives, regional and state self-insured workers' compensation pools and single stand-alone self-insured plans with custom Plan Documents.

Our philosophy then and now is to guide organizations to understand risk factors that translate into employee benefits cost, specifically healthcare, and not simply negotiating cost factors and premiums. In recognition of IMA's benefits self-insurance expertise, key members of the IMA team hold national board positions at the Self-Insurance Institute of America.

All members of the team are adept at communication of risk transfer thresholds (i.e., stop-loss specific claim limits), design, trends, and innovation.

Further, the following information is integrated in the delivery of service for self-insured clients:

1. Monthly and/or Quarterly Health/Rx Claims Reports
2. Large Claim Tracking
3. Actual vs. Expected Budget Projections
4. Employee contribution modeling
5. Incurred but Not Reported (IBNR) claim calculations

IMA's benefits consultants are constantly preparing RFP responses on behalf of our clients. We are also well versed in developing succinct reports based on all available information for our client's management teams, in writing, or for in-person presentations.

SELF-FUNDED PLAN DATA ANALYSIS AND REPORTING

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, and to project future costs. Using these insights, IMA utilizes partnerships with cost management and care management solutions to align problems with impactful cost savings solutions, and track outcomes to evaluate ROI.

IBNR CALCULATION SUPPORT

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. We will work with you to determine the appropriate frequency of reserving, though since reserves can be greatly impacted by month-to-month random variance, we typically suggest providing reserves no more often than quarterly.

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 oversees our IBNR development.

RESERVE TRACKING & SUMMARIES

As part of our analysis and development of IBNR reserves, our teams review past reserves estimates compared to historical runout from their corresponding months. While we expect that there will be some variance between past estimates and actual runout in a given month, we specifically consider whether past reserve estimates are commonly higher or lower than actual runout and use this information to help inform future estimates. Depending on the level of information sought, we can include this historical review as part of our IBNR reporting.

In addition, we provide tracking of monthly claims, enrollment and fees, along with a dashboard comparing emerging year-to-date results versus prior budgeted estimates. Our teams use this dashboard to understand key financial metrics and track large claims that may require additional attention or may result in stop-loss reimbursements.

Provided more detailed claims can be provided by your TPA, in-depth claims review can be provided via IMA People Analytics, powered by Deerwalk. Additional analyses include customized care delivery benchmarking, utilization and cost-per-service analyses, risk profile analysis, and potential savings analyses.

+ Provide a proposed annual service calendar.

As a trusted business 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. Project management, tactical claims support, and other services will be provided continuously throughout the year and in support of the major meetings shown below.



- + Does your firm employ the following experts? If yes, please describe the services they provide as well as their credentials. If no, please provide your standard methodology for providing the services of that specialty.

IMA employs several subject-matter experts to ensure that our teams have every resource needed to service our clients.

- **Health and Wellness Director**

IMA has several in-house Wellness Consultants who support clients that wish to integrate wellness into their corporate culture. Our approach to corporate wellness initiatives, also referred to as Whole Health, is to first discover what the company is currently doing to promote wellness and then collaborate with them to define new or expanded goals based on feedback and claims data. From there, we develop a suggested plan to achieve those goals.

- **Communications Specialists**

Benefits marketing and communications are led by **John Hanna**, IMA's Vice President of Marketing and Communications. His team provides communication assistance with benefit guides, one-pagers, presentations, transition support, and other communication needs.

- **Pharmacy Consultants**

IMA utilizes an in-house claims analytics system, IMA People Analytics, powered by Deerwalk, to identify significant cost drivers. This analytics solution combines insights from an internal clinical team with best-in-class analytic tools from Milliman, Clear Health, Truven (IBM Watson) and others. In addition, IMA has a team of consultants tasked with an ongoing evaluation of PBM partnerships, clinical and specialty management solutions and third-party pharmacy plan auditors to ensure that our clients have best-in-class vendor partners, contracts and client/member experience.

- **ERISA Attorney**

Craig Truitt, J.D., is IMA's attorney for Employee Benefits Compliance Practice and is a strategic advisor to clients and IMA team members in the areas of health and welfare. For specific ERISA and labor law issues, IMA has a partnership with the law firm Foulston Siefkin and the Phia Group.

- **Underwriters**

IMA employs several analysts, senior analysts, technical analysts, and technical consultants with expertise in underwriting and developing fully insured and self-funded claims projections and renewals.

- **Medical Directors**

IMA does not maintain a medical director or physician on staff. Rather, we utilize our deep expertise in the areas of health risk management and informatics to identify morbidity trends within the population data. If needed, we have access to outside physician resources that we can engage to participate in specialized research efforts.

- **Call Center for Benefit-related Questions**

The IMA Call Center provides a dedicated, single-source contact for insurance-related matters.

- **HR Technology**

Recognizing the deep specialty that HR Technology represents, IMA has chosen to partner with Outsail, a full-service technology sourcing company that is vendor-agnostic and refers implementing builders based on the needs of the client. In addition, IMA is a wholesaler of Employee Navigator and PlanSource with a designated team supporting all aspects of the systems.

- **Actuarial Services**

These services are led by **Jordan Paulus**, FSA, MAAA, IMA's in-house actuary. He is the Vice President and Director of Strategy and Analytics and leads underwriting and analytics processes for IMA.

D. MARKETING, VENDOR NEGOTIATIONS, AND MANAGEMENT

- + Outline your approach to negotiations and renewals with insurance carriers on your client's behalf and provide a sample timeline.

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 ACS 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 ACS's budget and plan design parameters.

We typically follow the steps below in managing the annual renewal and negotiation process:

FIRST 12 MONTHS SAMPLE

AUG-SEPT 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR-MAY 2023
<ul style="list-style-type: none"> + IMA takes financial control (Broker of Record) + Conduct new client onboarding + IMA to review insights collected from client discussion and to formulate strategic considerations & 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 onboarding 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

IMA's consulting approach is to facilitate a mutually beneficial partnership between our client and all viable vendors that will result in a benefit plan that best align with ACS'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 in the appendix.

- + Provide a recent example of how your firm has assisted a client to effectively address the challenge of rising health care costs without drastically decreasing benefits to employees.

IMA's approach to cost mitigation is to remove unnecessary expense and over-insurance from benefits programs, freeing up budget to offer better and new benefits without passing cost onto employees. This can be accomplished through appropriate consultant/broker compensation, risk mitigation, proper insurance placement, funding strategies, and expense management.

CASE STUDY | STRATEGIC PLANNING

As a new client, IMA began by performing a thorough plan review that included all benefits, contracts, renewals, experience, employee communication, and payroll deductions. We also did a discovery session with the client to learn as much as possible about their organization from the inside: who their employees are, where they recruit from, organizational challenges, HR challenges, satisfaction with their current benefits and vendors, areas for improvement, etc. We then created a report of our observations and findings based on both data sets and benchmarking. This became the basis of the strategic plan.

With their goals of competitive benefits, affordability (employer and employee), cost effective vendors, employee choice, and plans and systems that are easy to understand and use, we developed four overarching strategic goals:

1. Benefits offered will exceed the market
2. Any changes will not result in employee takeaways
3. Any improvements must be cost neutral
4. Improve employee's knowledge and value of the benefit plans

We started with goal one: there were several places where their benefits were not market leading. So, they added:

- + Healthcare flexible spending accounts
- + Orthodontia for adults and children
- + Long-term disability (LTD) for their hourly workers (about 500 employees)
- + Improved LTD benefits for their managers and executives
- + No cost LTD benefits through employee payment of LTD premiums; the employer grossed up the employee's salary to pay for the LTD premiums

To pay for these benefit improvements, we helped the client purchase their pharmacy through a purchasing cooperative that has resulted in annual savings of over \$600,000. We also negotiated lower premiums for the life and LTD, a new vision plan through VSP that saved around \$40,000 per year (with improved benefits), and lower cost and better contracts for their stop-loss insurance. After paying for all the benefit improvements, the net savings was \$335,000 per year.

Next, we focused on goal four: improve the communication and education so that employees both understand and appreciate the robust benefit plans they have.

We worked with human resources to create a graphic identity, so that each time an employee sees it they know it's a benefits or HR communication. Their open enrollment communications plan included a new enrollment guide, email blasts, posters, and a PowerPoint presentation with voiceover (similar to a video) that was made available to employees and their family members. We also created a consolidated enrollment form so that instead of four forms, there is only one. Once open enrollment was completed, the communication plan expanded to regular fliers and reminders about key benefits like telehealth, their maternity program (they have about 150 babies per year), their employee assistance plan, and the websites and apps for all their vendors.

HR now has templates so they can create their own materials with a nice graphic look that again identifies the message as being about benefits or HR.

[An additional case study](#) may be found in the appendix.

+ Describe your approach to monitoring the performance of insurance carriers, and other vendors.

Monitoring the performance of other vendors and insurance carriers is an integral part of the service provided by IMA. We have established rigorous criteria for vendor/carrier evaluation and utilize the criteria below when analyzing their performance. When evaluating and negotiating contracts with vendors/carriers, the IMA consulting team routinely requests performance and/or ROI guarantees that include fees at risk to ensure the client's investment is protected and that general program satisfaction is achieved.

VENDOR/CARRIER EVALUATION CRITERIA

- + Overall quality of service
- + Cost competitiveness
- + Performance in administering network-based programs
- + Commitment to continuous quality improvement processes
- + Performance in administering multiple option health programs
- + Quality of communication materials (e.g., booklets, EOBs, etc.)
- + Effective administration procedures (e.g., coordination of benefits, subrogation, etc.)
- + Responsiveness of group representative
- + Responsiveness to client feedback
- + Professionalism of response to RFP
- + Willingness to adapt to changing needs and circumstances
- + Adequate staffing ratios
- + Superior network coverage in relation to location of client employees

Through our teams' industry experience, we have realized just how complex it can be to compare network discounts. While the industry tries to make comparing discounts nearly impossible, we take an approach that pulls back the veil surrounding networks in order to avoid common pitfalls in network analysis such as use of market averages versus actual line by line repricing, treatment of outlier claims, lease/rented/wrap networks, and padding discounts with items like COB savings, just to name a few.

It's our attention to these details and industry practices, along with our carrier partnerships, that allow our teams to provide a fair and unbiased analysis of networks and their discounts to our clients so that they have the information necessary to make a decision that impacts both their business and their employees.

+ Describe your experience managing employee claims escalation your experience assisting clients with complicated administrative issues and fostering positive resolution. Do you provide services in-house or outsources services for elevated claims, billing, and eligibility issues?

As noted earlier in our response, IMA's Account Manager will serve as the liaison between ACS's benefits programs and its carriers and vendors – the role is intended to identify patterns, systemic issues, and create standards to ensure that ACS's employee population experiences their benefits program in a positive way. Support includes resources to help with technology sourcing, compliance, cafeteria plan best practices, and more.

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

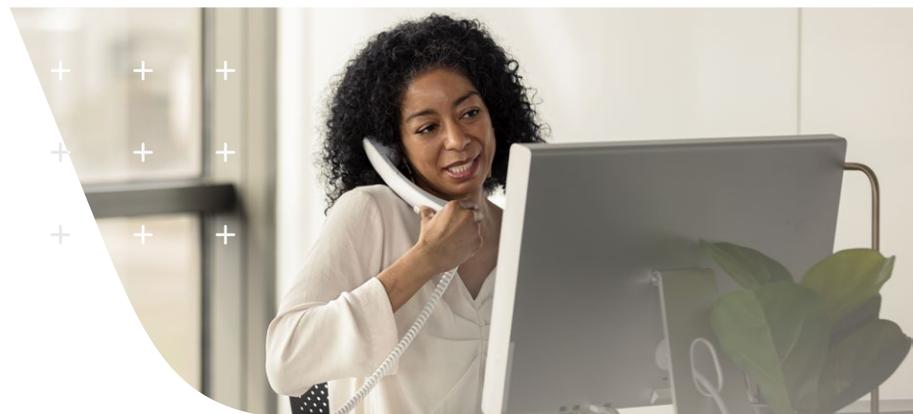
The IMA Call Center will provide your employees with skilled assistance from an IMA licensed benefits professional via phone or email who will assist with common issues that employees may face when utilizing their insurance plans. All assistance is provided in a confidential, professional and supportive manner, and all staff are W-2 employees of IMA.

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.

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



E. EMPLOYEE COMMUNICATIONS AND SUPPORT

- + Describe your procedure for handling employee priority claims. Describe the action that would be taken, the support provided, and the personnel who would be involved in investigating and settling a disputed claim.

The aforementioned IMA Call Center prioritizes employee claims and assists in investigating and resolving issues.

The IMA Call Center is staffed by IMA licensed benefits professionals which is headed by **Kelley Harris**, a 20+ year benefits employee of IMA. In addition to Kelley, there are associates who have worked for medical carrier call centers in the past. With their knowledge and skill, they are well equipped to resolve even the most complex claim issues. Should a claim go to appeal, they also facilitate this process as well.

All calls are tracked from first call to resolution and reported back to clients on a regular frequency.

- + Please identify any solutions you can provide to enhance employee healthcare advocacy and claims support. Outline potential additional costs if outside of your proposed fee or discounts that may be advantageous.

The IMA App (mentioned below) has an option to include advocacy and claims support powered by **Alight**. Alight is an advocacy program that assists employees in finding right care, with personalized direction and clinical guidance. The pass-through cost on this program is a discounted price of \$2.50 per employee per month.

While Alight is an option, many clients have found that the IMA Call Center fulfills the needs of their employees for advocacy and claims support and therefore have not opted to utilize other redundant programs.

- + Please provide a description of your employee communication capabilities and identify technology solutions to support employee communication.

EMPLOYEE COMMUNICATIONS

Our standard service includes the development and implementation of a customized strategy and provides customizable communication pieces. This includes an annual Communications Strategy Meeting, development of benefit guides, one-page summary sheets, assistance with materials for employee meetings, coordination with vendors to provide additional information, and regulatory notice requirements. Printing, translation, and technology platform fees (if applicable) would be a pass-through cost.

IMA approaches benefits communication by partnering with our clients to first understand specific goals and needs and then work to develop customized marketing and communication strategies. Our unique marketing approach to employee communications helps us to better define the audience and identify communication mediums that will be engaging to the employee. We utilize strategies that consider the various demographics, generational and language differences, geographic or work environment concentration, plan design or pricing changes and utilize omni-channel, year-round communication to optimize the effectiveness of the benefits messaging. A strategy that employs straight-forward messaging, promotes the overall leadership tone, and incorporates the organization's external brand while including the right amount and type of information is essential to a successful marketing and communication campaign.

BENEFIT PROGRAM/WELLNESS MARKETING AND COMMUNICATIONS CONSULTING

DESCRIPTION OF SERVICES:

- + Development of ongoing marketing and communication vision and strategy
- + Industry and market trend updates
 - Annually – Strategy Meeting
- + Identify and develop targeted communication strategies through analyzing IMA People Analytics (powered by Cedar Gate) data, demographic analysis, employee surveys and additional carrier utilization data
- + Development of customized employee marketing collateral. Printing and/or translation services (if needed) will be quoted as a pass-through cost.
 - Benefit guides
 - Promotional materials
 - Posters
 - Post cards
 - Banner images
 - Email campaigns
 - One pagers or other supporting collateral
- + Evaluation of solutions for benefits communication apps and communication software. Technology fees associated with any selected platforms will be a pass-through cost.
- + Ongoing support of marketing and communication program
 - Annual meetings to cover the following topics:
 - Strategy meeting
 - Open Enrollment planning
 - Communication planning



- + Provide any website that duplicates a HR portal that the company may display their own benefit programs with the company branding to be utilized for employees.

EMPLOYEE COMMUNICATION

IMA helps clients to develop employee engagement and communication/education strategies that provide informative content in a variety of deliverables from app-based communication hubs to unique print material. With the development of this content, IMA can coordinate with specialized vendors for graphics and technology fulfillment support, if needed. In addition, IMA has included in the proposed scope of services access to the IMA app (powered by Strive) should ACS want to utilize as a communication medium.

IMA MOBILE APP

The IMA app (powered by Strive) provides employees and their enrolled family members with a myriad of resources available via phone, app, or website. This gives employees and their dependents the freedom of self-advocacy and educated decisions around healthcare.

- + Links to all benefits information and contacts
- + Integrated benefits such as telemedicine, advocacy and wellness
- + Plan details
- + Ability to store ID cards
- + Connections to savings apps such as GoodRx
- + Plan balances connected real-time (carrier data integration permitting)
- + Upload and access to ACS's custom benefit guide
- + Find a provider feature
- + Push notifications



HRIS & BENEFITS ADMINISTRATION SYSTEM SUPPORT

For clients seeking assistance in supporting current HRIS and benefit administration systems or implementation of a new system, IMA's approach to benefits technology starts with understanding each client's needs and future goals. IMA is platform agnostic when trying to find the right fit for each client's unique situation. We have relationships with key platforms and providers based on our market experience and diverse client needs.

Internally, IMA is a wholesaler of Employee Navigator and PlanSource with a designated team supporting all aspects of the system. If a client requires a more robust benefits administration platform, IMA will leverage established relationships with other industry platform solutions. If other services outside of Benefits Administration are required (payroll, timekeeping, performance, etc.) IMA will refer to a preferred technology consultant or payroll partner.

- + Provide a sample of your employee communication materials.

In the interest of brevity for our response, communication material samples are located in the appendix under [Employee Communication Material Samples](#).

F. DATA ANALYSIS AND REPORTING

+ What resources do you use to analyze medical and pharmacy claims?

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.

POPULATION HEALTH DATA ANALYTICS

IMA utilizes an in-house claims analytics system, IMA People Analytics, powered by Deerwalk (Cedar Gate) 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.

IMA 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 ACS 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 ACS understand trends and develop strategy and allows ACS to adjust the benefit plan to stay in front of risk and cost trends. Listed in the appendix are [sample key data sets](#) of IMA's reporting packages available to ACS. Due to the extreme length of the sample reports, we will be happy to provide them upon request.

PREDICTIVE MODELING

IMA also utilizes predictive modeling tools to develop, assess and quantify plan design changes and population impacts. The power of IMA People 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 ACS 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 ACS 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 ACS would require:

Mercer Benchmarking Data

MSEC Benchmarking Data

Kaiser Benchmarking Data

Segal Benchmarking Data

Bureau of Labor and Statistics

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

+ Describe your underwriting and actuarial resources.

IMA's financial consulting team uses standard actuarial models and practices and has all the tools and capabilities to perform cost forecasting, benefit design costing, and reserve calculations. These are done using actuarially developed tools, with a proven track record for accuracy.

IMA's benefits analysts' work provides the breadth and depth of financial services clients require at a much-reduced cost. If the services of a licensed actuary are required, IMA partners most often with Milliman and will offer their services on a pass-through cost basis. IMA is open to using any actuarial firm the client chooses when actuarial services are needed.

Monthly or quarterly (depending on preference), IMA provides reporting of plan performance compared with the client's budgets and maximum liability, including large claim and stop-loss activity. In addition to the quarterly (or monthly) reporting, IMA will perform a complete and methodical annual review of underlying cost drivers and review potential cost management solutions based on ACS's own data.

IMA's financial team will be responsible for all cost projections, health cost benefits modeling, employee contribution strategies, IBNR analysis, trend forecasting, large claim and stop-loss analysis, and utilization reporting. IMA will make recommendations for funding levels, fully insured equivalent premium rates, COBRA rates, and plan reserves. For IMA's pre-renewal projections, IMA will do an estimate of administrative and stop-loss expenses, but for the final renewal projection, IMA uses the actual administrative fees and stop-loss premiums.

As part of the strategic planning process, IMA will examine how employee contribution structure supports overall program goals, as well as employee recruiting, retention, and the culture of the client's organization. IMA may suggest alternative employee contribution options as a tool to advance the client's initiatives.

A summary of IMA's standard transactional reports for self-funded plans are noted below. Each report will be customized to include the data you wish to see. Reports can be produced more or less frequently, per the client's preference.

- + Monthly or quarterly status reports – eligibility by plan, claims breakout by type of claim, prescription analysis, large claims, summary of other plan costs.
- + Annual plan report – year-over-year plan cost summary, experience summary against budgets, plan trend analysis, large claim analysis, demographic analysis, wellness and disease management analysis, risk stratification, ancillary benefit data summary, PPO savings summary
- + Annual medical plan cost driver analysis, including utilization benchmarking (may include multi-year comparisons)
- + Annual prescription plan analysis (may include multi-year comparisons)
- + Funding projection reports
- + IBNR calculations
- + Plan design analysis reports if plan changes are suggested
- + Employee contribution analyses

IMA will also provide other custom reports to meet client needs. This may include renewal reports, benchmarking surveys by industry or region, PPO analyses, RFP summaries, etc.

+ What types of plan and benefit reports do you provide and how frequently do you provide them? Provide examples.

ON A MONTHLY BASIS

IMA will provide custom designed financial reports 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

ON A QUARTERLY OR ANNUAL BASIS FOR SELF-FUNDED CLIENTS (DEPENDENT ON CLIENT SIZE)

- + Incurred but Not Reported (IBNR) claim calculations

ON A SEMI-ANNUAL OR ANNUAL BASIS (DEPENDENT ON CLIENT SIZE)

UTILIZATION/KEY PERFORMANCE INDICATORS (KPIs)

Listed below are key data sets of IMA's Informatics available:

- + Executive Summary
- + Claim Analysis Overview
- + Normative Comparison Summary
- + Utilization Benchmark Summary
- + High Cost/Shock Claim Summary
- + Monthly Cost Summary
- + Cost Distribution Summary
- + Type of Service Overview
- + Plan Experience Summary
- + Rank Order Analysis
- + Detailed Analysis Applications – Allow drill-down from plan level to individual EOBs
- + Health Service Analysis
- + Lag Matrix Generator
- + Provider Cost Comparison
- + Flexible and Eligibility Claim Data Query

Samples of these reports may be found in the appendix.

+ Are there additional charges for customized or ad-hoc reporting?

For reporting that is provided directly by IMA, IMA does not charge for customized or ad hoc reporting of a reasonable nature; however, your IMA service team will provide an in-depth description of available reporting packages and standard reports, including output by our IMA People Analytics system.

+ Describe your proposed cost-control strategies providing innovative approaches your firm has implemented with clients and the impact.

Our strategic solutions are always based on the goals and outcomes desired for each individual client. In the interest of brevity, [please refer to the appendix for four recent examples](#).

+ How do you objectively and independently verify the value of network discounts?

Please refer to [page 29](#) for our response to “Describe your approach to monitoring the performance of insurance carriers, and other vendors,” as well as [page 18](#), “Identify how your team would creatively approach putting a program in place with networks that accommodate both rural and urban populations,” where we address this important question.

+ Does your firm employ data mining tools to analyze clinical data to project future risks and costs over time? Explain your process and provide examples.

Please refer to [page 34](#) for our response to “What resources do you use to analyze medical and pharmacy claims?” where we address this important question.

+ How does the firm identify assist in developing outcome-based wellness programs?

Please refer to [page 22](#) for our response to “What steps do you take to help ACS assess potential wellness initiatives?” where we address this important question.

+ Provide detailed claim, utilization review, medical case management and disease management data on the frequency basis determined by client. Provide analysis of that data and any resulting recommendations in plan design or approach.

In addition to any applicable data sets provided through People Analytics IMA can provide periodic custom designed financial reports to ACS 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)

Utilization, medical case management, and disease management data may be provided through a number of different sources: IMA Analytics, carrier reporting, specialized utilization and disease management carriers in an unbundled arrangement. Data provided by any source will be integrated into IMA's strategic approach, with review from the Account Executive, Technical Consultant, Analyst, Wellness Consultant, and others.

G. LEGAL AND COMPLIANCE

+ Do you have in-house legal advisors who provide counsel to your clients? If so, is there an additional fee for these services?

IMA has in-house attorneys as well as several outside counsel solutions. As noted earlier, IMA maintains a partnership with the law firm Foulston Siefkin, PC, 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 as discussed in the following responses, 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.

+ If you rely on external counsel, please describe how and to the extent ACS would be charged for these services.

As mentioned above, IMA provides in-house counsel.

+ How do you provide legal research, compliance, and legal consultation and information on the benefit plans?

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 **KC Rippstein** who has been with IMA since 2004 and helped to create this practice.

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 ACS'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.

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 and 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. IMA's regulatory resources provide timely/urgent information on recent legislation, answer common questions and provide forms for COBRA, ADA, 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. 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. Regarding vendor-related services that IMA will oversee such as COBRA administration and flex spending/HRA, IMA will assist with the management and oversee the RFP, marketing and implementation of those products and integration into the benefits program. Third-party COBRA vendors typically offer the initial notification, COBRA tracking, premium billing and remittance, as well as termination tracking. The agreements and payment for those services will be invoiced directly to ACS through the vendor.

+ How do you keep your clients up to date? Provide samples.

IMA prefers to work with each client to learn their preferred mode of communication and then we will craft a communication strategy that meets your preferences. This can be via meetings, virtual conversations, email updates, newsletters, videos, webinars, conferences and more.

Please refer to the appendix for [samples](#).

+ Do you prepare your clients Form 5500 filings on their behalf and at what cost?

Yes, IMA has signature-ready 5500s prepared on the client's behalf on an annual basis and this is included in IMA's core services.

+ What is your approach to ensure that your clients follow all applicable regulations (ERISA, HIPAA, COBRA, ACA etc.)?

IMA will perform a comprehensive in-person compliance review led by ERISA counsel on behalf of ACS. This review serves as the baseline for assessment of ACS's compliance with federal, state and 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 and webinar 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 ACS. In addition to a description of new laws or changes, we will advise ACS on how to modify administrative procedures to ensure compliance.

IMA recognizes the greater prevalence and impact of state and local regulations on our clients and thus the consulting team will review state and local regulatory changes that may impact ACS annually at the Strategy & Trends Meeting as well as real-time throughout the year.

COMPLIANCE SERVICES

- + Compliance review/audit
- + Compliance practice actively monitors all Federal and state-by-state regulations affecting ERISA and non-ERISA governed plans, including the Patient Protection and Affordable Care Act (PPACA), and currently, pandemic-related regulations such as FFCRA and the CARES act. Together we focus on identifying innovative options, as well as how to effectively communicate and manage the impact of compliance
- + Provide regulatory resources and information on recent legislation, answer common questions, and provide forms for COBRA, ADA, USERRA, FMLA, Medicare Part D and Section 125 plan administration
- + 5500 Collection and facilitation of filing

IMA's Compliance Practice will work closely with your team to provide robust support touching all aspects of ACS's program.



H. M&A SERVICES

- + Provide bios for individuals that will be responsible for health & welfare due diligence. For everyone, include tenure, proposed role within the ACS project team, and the number of diligence projects worked on each year.

The IMA due diligence team for ACS has been carefully chosen based on each person's particular experience and unique qualifications. The team we've outlined within the team charts will not change; those are the IMA contacts with whom ACS and acquisition companies throughout the entirety of IMA's working relationship with ACS. We have structured the team in such a manner that provides support and coverage when someone might be out of the office so there is no disruption in service to ACS or its acquisition companies. It is our belief that clarity of roles and consistency within both the due diligence and service teams will enable IMA to tailor our services to meet ACS's needs and foster deep long-term relationships.

Galen Young and **Megan Larsen** will serve as consistent links throughout the entire lifecycle and be responsible for the overall relationship between ACS and IMA, from pre-transaction consultation to integration planning (including due diligence, deal closing and integration, oversight of ongoing post-close health and welfare programs and servicing). Megan and Galen will work together in setting expectations and strategy (and making sure we execute accordingly to ACS's satisfaction). This will ensure accountability and effective communication along the entire continuum of the lifecycle of the deal.

The benefits team is supported by IMA's National Practice Director, Private Equity and M&A, **Jordyn Arons Rosen**. Jordyn has over 12 years of experience focused on private equity insurance needs. Jordyn has spent her entire insurance career within the private equity and M&A space, both on the carrier and brokerage sides of the industry. While on the carrier side, Jordyn underwrote deals for private equity firms and brokers across the U.S., spanning across a broad range of industries. On the broker side, Jordyn functioned both as a Project Manager and an Account Executive, so she has vast experience with due diligence and post-close portfolio company servicing.

A team chart and full biographies for each member of the IMA Team are [provided in the appendix](#).

- + Describe your approach and services for health & welfare diligence and post-acquisition integration support. Identify how the M&A team works with the ongoing ACS's team to ensure smooth integration and implementation.

IMA is adept at supporting clients with mergers and acquisitions (M&A). The team to be assigned to ACS has extensive experience guiding clients through the M&A process from due diligence to the potential integration or termination of a group. Included in the due diligence process is a detailed evaluation of potential compliance, financial, contractual and logistics exposure gaps that may exist.

In addition to the due diligence analysis, IMA provides a post-close strategy that includes benefit plan comparisons, recommendations, timelines, implementation oversight with carriers/vendors and a customized communication campaign. IMA understands the key to a truly successful integration is to help our clients create a positive experience for the newly acquired company and employees.

I. REFERENCES

- + Please provide the names and contact information for 3 comparable sized and structured clients with which ACS may request reference conversations.

- One must be a highly acquisitive client in the HVAC/Manufacturing space.

METAL-FAB, INC.

DAN HAMEL, *Human Resource Director*

3025 May Street, Wichita, KS 67213

316.771.4903 | danh@mtlfab.com

Group size: 330 employees (250 enrolled) | Length of time with IMA: 13 years

- One must be a client with a mid-size (500-3,000) geographically diverse employee population (must have rural and urban populations), and

AIRXCEL, INC.

DEBI JONES, *Chief Financial Officer*

3050 N. St. Francis Street, Wichita, KS 67219

316.832.3403 | ddj@airxcel.com

Group size: 1,200 employees (970 enrolled) | Length of time with IMA: 22 years

- One must be a client where a significant impact was achieved through your company's services.

COFFEYVILLE COMMUNITY COLLEGE

JEFF MORRIS, *VP for Operations and Finance*

400 W 11th Street, Coffeyville, KS 67337

620.252.7177 | jeffm@coffeyville.edu

Group size: 145 employees (137 enrolled) | Length of time with IMA: 7 years

- + For all three, please provide name, address, phone number, email address, group size and length of time associated with the proposed team.

Please find all requested information listed above.

J. COMPENSATION

+ How would you prefer to be compensated? (i.e., direct fee, commissions, retainer, etc.).

Acknowledging that much of the current plan structure (including current compensation) is a continuation from Marvair's previous arrangement, IMA proposes to provide its benefits consulting services for **annual compensation of \$110,000**. This may be paid through commission in the health and welfare plans, by a direct fee, or by any other manner ACS wishes. The compensation will be inclusive of all services and resources mentioned in this RFP response, including five (5) due diligence projects per year.

+ Does your firm accept contingent commission payments or bonuses from insurers with which you place business?

IMA believes that contingent income arrangements are legitimate forms of compensation as long as it is transparent to the client, and if they are not tied to specific placement of accounts. This income is used to reinvest in IMA's value added resources and people which benefit our clients. IMA will provide complete transparency of our income sources upon request. If a client requests that IMA not receive this contingent/supplemental compensation, IMA can accommodate.

+ If you charge fees for consulting, employee communication, and/or any other services, please indicate the basis of your charges (hourly, by project, etc.) and what typical charges might be.

IMA's pricing model is an all-inclusive structure. We do not charge our clients on a piecemeal basis or track the hours of work performed to arrive at an amount for our compensation. These compensation methods are counterintuitive to our philosophy – doing whatever it takes to ensure that our clients' objectives are met.

Aside from customized Voice of the Employee (VOE) consulting, the only additional expenses that may be incurred are pass-through costs for services like printing employee benefit guides, services provided by specialized companies (HRIS building, marketing, etc.), unanticipated travel or lodging, or special legal consulting projects utilizing outside counsel. Five (5) due diligence projects per year are included in IMA's proposed compensation, and additional projects may be undertaken through mutually agreed-upon compensation.

+ Describe your protocol for disclosure of compensation and philosophy on compensation transparency.

IMA is committed to 100% transparency regarding its compensation. IMA formally discloses commissions or fees related to newly placed or renewed lines of coverage each year following a client's renewal. In addition, IMA complies with all broker compensation disclosure requirements of the Consolidated Appropriations Act of 2021.

+ Describe our right to terminate a contract with you. Is there a minimum contract period?

This would be ACS's right. If IMA does not live up to our service agreement, the client can terminate at any time. In the event we enter a fee agreement, the language would state terms and conditions, but our standard agreements don't have minimum contract periods.

+ Please provide a sample fee agreement.

A **sample fee agreement** has been included in the appendix.

+ What type of performance measures would your firm use to evaluate service and satisfaction? Please detail your proposed performance guarantees and willingness to put fees at risk to achieve those guarantees.

PERFORMANCE GUARANTEE

In addition to the proposed compensation, IMA will put up to 20% of its annual compensation at risk as our commitment to achieving ACS's goals and objectives. This subjective performance guarantee will be assessed at the end of each plan year (or at another time annually at the direction of ACS). We will simply ask if we met ACS's goals and objectives and if not, you may recoup either all 20% in a credit towards the next year's fee or a portion dependent on your preference.





Appendix



CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/12/2022

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

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

PRODUCER IMA, Inc. - Wichita Division PO Box 2992 Wichita KS 67201-2992	CONTACT NAME: IMA Wichita Team
	PHONE (A/C, No, Ext): 316-267-9221 FAX (A/C, No): E-MAIL ADDRESS: certs@imacorp.com
INSURED IMA Financial Group, Inc.; IMA, Inc.; IMA, Inc. dba IMA Insurance Services 430 E. Douglas Street, Suite 400 Wichita KS 67202	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: Allied World Insurance Company 22730
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:

COVERAGES **CERTIFICATE NUMBER:** 1376925232 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / <input type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Errors & Omissions			03088684	9/1/2021	3/1/2023	Per Claim \$5,000,000 Aggregate \$5,000,000 Retention/Agg Ret \$250,000/\$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Re: RFP.

CERTIFICATE HOLDER AirX Climate Solutions, Inc. 4308 Grant Blvd. #1D Yukon OK 73099	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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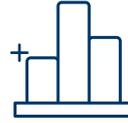
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ACORD 25 (2016/03)

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DEDICATED CLIENT SERVICE TEAM

IMA purposely establishes dedicated client services teams all with a specific client role.



ACCOUNT EXECUTIVE

ACCOUNT MANAGER

TECHNICAL 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



TEAM BIOGRAPHIES



MEGAN LARSEN | *Account Executive, Employee Benefits*

Megan has been with IMA since 2016. Prior to her current role as Account Executive, she worked in Human Resources at Textron Aviation. Having background in Human Resources brings valuable customer service experience and skills, sharing IMA's view that clients come first. Megan's expertise includes strategic planning, program development and deployment. Megan holds a bachelor's degree in Human Resources from Wichita State University.



MICHAEL CHARON | *Account Manager, Employee Benefits*

Michael has been with IMA since 2020 and has worked in group benefits during that time. Prior to his current role, he worked for Anthem BCBS for 5 years in Medical Account Management and most recently as a Sales Executive for their ancillary lines. Michael's expertise is in insurance navigation, as well as compliance, open enrollment and new business implementation. Michael holds a Bachelor's Degree in Business Management from Averett University in Danville, VA.



PETER HEIN | *Technical Consultant*

Peter has been with IMA since 2018 and has worked as a benefits and insurance consultant for over 10 years. His main role is in supporting a range of strategic solutions for clients using technical and financial analyses of clients' benefit plans and programs. Peter's expertise includes underwriting, fully insured and self-funded arrangements, network analysis, union negotiated plans, retiree plans, ancillary benefits, risk mitigation and budgeting. Peter draws experience from working with clients in several different industries and of varying sizes. Peter holds a bachelor's degree in economics with a minor in mathematics from the University of Vermont.



GALEN YOUNG | *Vice President, Director of Employee Benefits*

Galen has been with IMA since 2015 and has worked as a benefits and insurance consultant for 15 years. Prior to his current role leading consulting and service teams based in Denver, he spent over 7 years directing client service teams as well as leading the account management practice at a third-party administrator specializing in state and county-level government account-based plans. Galen's expertise is in pre-tax account administration, compliance, self-insurance (including HRA structure), and risk mitigation. Galen holds a bachelor's degree with an emphasis in operations management from the University of Missouri.



KRISTI GJELLUM | *Executive Vice President, National Client Experience & Partnership Leader*

Kristi began her Employee Benefits career in 1989 with Mutual of Omaha's Denver Group Office. During her eight-year tenure with the Mutual of Omaha Companies, she was an Account Manager responsible for health, life and disability plans for large employer groups. Also, during her tenure, she served on the management team for Mutual of Omaha's HMO where she assisted in implementing a Customer Service department, worked on processes and oversaw service for their largest client which consisted of 14,000 employees.

Her consulting career began in 1997 as the Assistant Vice President of Employee Benefits for a regional consulting firm in Anchorage, Alaska. In 2001, she returned to Denver where, prior to joining IMA, she worked at Lockton Companies and Marsh.

Throughout her career, Kristi's experience has been with mid-size to large employer groups across all industry sectors and funding arrangements. Her expertise is in self-funded health plans; although, she also has extensive knowledge over all types of employee benefit programs, as well as associated compliance issues.

With over 15 years of experience at IMA and over 30 years of industry experience, Kristi is the National Client Experience Leader and Partnership Leader. She has oversight of all facets of the client experience including the strategic direction of employee benefits programs providing innovative solutions to benefits planning. She utilizes a wide variety of strategies to assist in clients managing their benefit programs, including funding and risk alternatives, health claim analysis, cost containment solutions and employee communications.

Kristi attended the University of Colorado at Boulder and Regis University. She earned a Bachelor of Science degree in Business Administration from Regis University. Kristi is a serial dog rescuer.

“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*

COST CONTROL STRATEGIES

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%



CASE STUDIES

CASE STUDY 1 | AUDIT RESULTS

IMA recently performed an audit for a healthcare employer with 2,000 employees and a \$24 million annual health plan spend. The prior year, the employer's broker recommended a change in third-party administrators (TPA) with the promise of \$1 million in claims savings due to provider network discounts. However, they had not been made aware that the new pharmacy contract the TPA was offering was not as strong as their current pharmacy contract.

Before IMA analyzed their claim spend, the employer didn't realize that their promised network discounts were being negated by an equivalent \$1 million increase to their pharmacy spend due to the less favorable pharmacy contract. With the client's new partnership with IMA, we were able to recommend a stand-alone pharmacy option through our exclusive pharmacy cooperative with far greater rebates and superior wholesale pricing that returned the \$1 million in savings the employer had been expecting.

CASE STUDY 2 | PBM ANALYSIS FOR MIND SPRINGS HEALTH IN COLORADO

IMA was recently hired to be the broker and consultant for Mind Springs Health, a WHA member in Colorado. IMA conducted a PBM review and projected they could save more than \$240,000 annually through a prescription benefit purchasing cooperative, without modifying benefits. In addition, as part of the cooperative implementation process, IMA worked with Mind Springs Health and the cooperative to conduct a deep dive into their covered and excluded benefits, which had not been done in years. The cooperative was able to identify areas in which the list of covered medications was out of date. By updating the prescription drug coverage list, participants will be able to access some medications more readily, streamlining the process for employees and the HR team.

PROJECT SCOPE OF WORK

Medical Plan Administration and Network Evaluation

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 and 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.

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

IMA will work with ACS to establish a customized renewal timeline so that renewal financials and options are provided in a timely manner allowing ACS adequate time to evaluate and make decisions.

An example of a renewal timeline for a January 1 plan year may look like the following:

- + Potential program/design change analysis and evaluation – May & June
- + Deliver renewal and budget – August
- + Finalize renewal decisions – August/September
- + Final renewal and budget meeting (if necessary) – September

The renewal process includes a thorough analysis of the market offers using IMA's 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

COST SAVINGS CASE STUDY

IMA approached cost savings for an employer through non-disruptive best practices that enhanced benefit packages without degrading the employee experience:

COST SAVINGS PART ONE:

The prior consultant was on a commission structure for the stop-loss contract and had an agreement with the current PBM to pay an additional per script commission. We proposed a flat consulting fee for service, eliminating all commission. This translated to an initial savings of \$34,000.

COST SAVINGS PART TWO:

If the client had stayed with their current consultant on commission with no change to the stop-loss contract, the commission increase from the stop-loss premium rates alone would have been over \$17,000. Under the flat fee agreement, the client did not pay this increase.

COST SAVINGS PART THREE:

After our audit and review of the current program, we offered a new stop-loss contract that not only improved coverage and provided clearer reporting to the finance team, but also saved them an additional \$25,000.

COST SAVINGS PART FOUR:

IMA conducted a prescription benefits manager (PBM) pharmacy claims repricing using a non-profit cooperative. Based on the projected savings, we recommended changing PBMs and contracting through the non-profit cooperative to achieve greater discounts and pharmacy rebates and eliminate the per-script commission contained in the prior contract. The change in PBM is projected to save the client approximately \$240,000 based on the prior claims history.

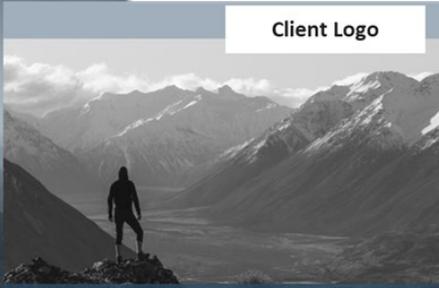
PROGRAM STRUCTURE IMPROVEMENTS

- + **Dental Benefits.** The client struggled with their dental program in terms of in-network providers. They had 28.1% of their dental claims in-network with Companion Life, and IMA received feedback that members were avoiding dental care because they couldn't find an in-network dentist. We reviewed geographic access reports from Delta Dental, which showed that 83% of employees would have access to two in-network providers within 15 miles, and 95.7% of employees would have access to two in-network providers within 45 miles. The choice to move to Delta Dental was clear. They opted to self-insure with Delta Dental because the risk is limited, and the cost savings accrue to the plan. Not only will their employees see a dramatic increase in availability of in-network dentists, but the plan design is also more favorable to most participants. Dental benefits had been a significant pain point for the client, and we were able to offer an elegant solution.
- + **Clear Reporting.** One of the first things we heard from the client was that their internal budget tracking never matched up with what their prior broker sent them. After spending time talking with the group, we were able to get to the bottom of the issues and resolve their confusion. We were able to customize our reporting to accommodate their unique stop-loss contract and budgeting methodology. In addition, we were able to modify their stop-loss basis going forward to allow them to track large claims costs more clearly and to provide additional protection against unexpected losses.

EMPLOYEE COMMUNICATION MATERIAL SAMPLES

Client Logo

Client Logo



WELCOME TO YOUR 2021 U.S. BENEFIT GUIDE

This guide provides an overview of your benefits and is designed to help support employees in making thoughtful benefit elections. If you have any benefits or enrollment questions after reviewing this guide, please reach out to the

2021
BENEFIT GUIDE
PLANS EFFECTIVE JANUARY 1, 2021—DE

Client Logo

e.com

MENTAL HEALTH BENEFITS

As a UnitedHealthcare (UHC) member, you have access to a variety of mental health benefits. In-network mental health providers are covered at the same benefit level as seeing a primary care physician. To find an in-network mental health provider visit myuhc.com and select the "Find a Doctor" option, then select "Behavioral Health Directory". In addition to access to the mental health provider network as a UHC member you have access to Sanvello and Talkspace, learn more below!

Sanvello

Sanvello is a mobile app that offers clinical techniques to help with stress, anxiety, depression & more. Access the premium version of Sanvello at no cost! Steps to upgrade:

1. Download the app at the AppStore or Google Play and click "Get Started."
2. Follow the 4 personalized prompts.
3. Create an account and choose "upgrade through insurance."
4. Search for and select UnitedHealthcare, then enter the information available on your UHC medical ID card.

Learn more at Sanvello.com.



SANVELLO.

Talkspace

Talkspace is a in-network behavioral health provider through UHC. To access this benefit your cost will range from \$30 copy on the PPO plan to \$110 for initial visit on an HDHP plan until your deductible has been met.

With Talkspace, you can message a licensed therapist:

- Find a therapist with an online matching tool
- Start therapy within hours of choosing your therapist
- Message your therapist whenever—no appointments necessary
- Choose real-time face-to-face video visits by appointment when needed

Learn more at talkspace.com/uhcuhc



talkspace

OPEN ENROLLMENT ROAD MAP

May 23
→
June 10

May 9-23
Presentations and Q&A begin at each location

May 12
WEBINAR 9AM PACIFIC

May 19
WEBINAR 1 PM PACIFIC
Your opportunity to hear the information again

May 23
Mandatory Open Enrollment opens on UltiPro

May 25
WEBINAR 11 AM PACIFIC

June 10
Active OE ends; all elections MUST be made and Dependent documents submitted



OPEN ENROLLMENT IS HERE!

Open May 25 and Ends June 10, 2020

Open enrollment for 2020-2021.

Make Sure You Are Ready!

STEP 1: Login to our UltiPro portal today to verify the plans you are currently enrolled in. Open enrollment is the time to make changes.

STEP 2: Remember: You must make new elections for spending accounts during open enrollment if you want to make contributions in the new plan year. Current elections will not carry forward.

Questions?

Contact your Local HR Team member



Client Logo

¡Prepárese para la inscripción abierta para sus beneficios!

Del 25 de mayo al 10 de junio de 2020

Inicie sesión en UltiPro para revisar sus planes actuales y decidir si necesita hacer algún cambio para obtener la mejor cobertura que se ajuste a sus necesidades.

Si está inscrito en alguna cuenta de gastos, recuerde que debe establecer el monto de sus aportes, ya que los montos de ese año del plan no se transfieren al siguiente.

¿Tiene preguntas?

Comuníquese con un miembro del equipo de Recursos Humanos Locales.

Client Logo

INSURANCE | RISK MANAGEMENT | SURETY | EMPLOYEE BENEFITS

55

SAMPLE REPORTING PACKAGES

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.



SAMPLE CLAIMS REPORT & IBNR

SAMPLE CLAIMS REPORT

Sample Claims Report

Medical & Rx Claims Report
for the Period
January 1, 2022 through December 31, 2022
Paid Claims through May 31, 2022

Prepared by:
Account Executive: Megan Larsen
Account Manager: Michael Charon



Risk Management, Insurance, and Employee Benefits Solutions

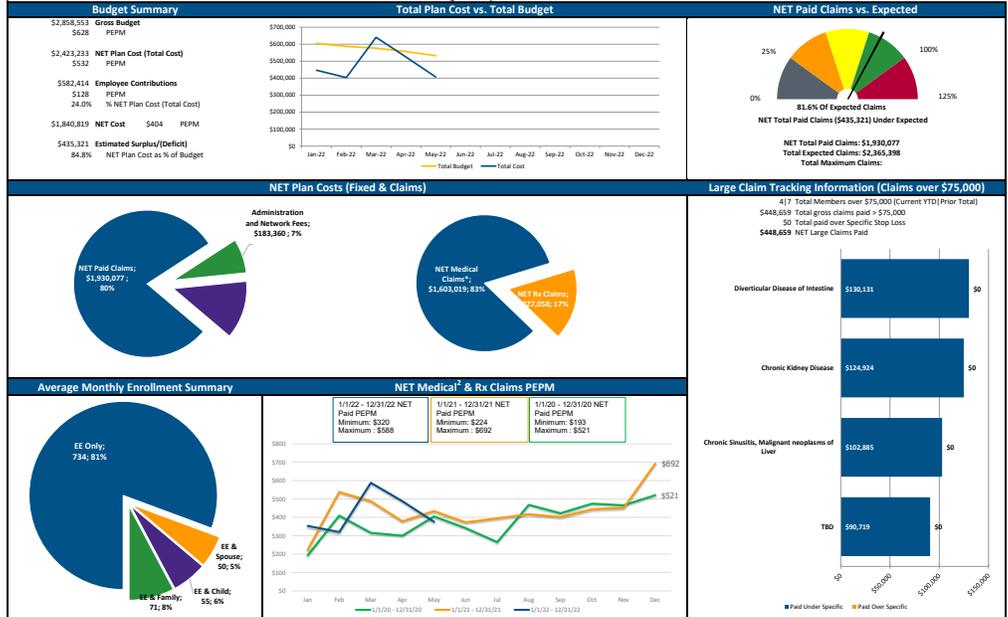
IMA, Inc.
1705 17th Street, Suite 100
Denver, CO 80202
303.534.4567; 800.813.0203
303.615.7808 (Fax)
imacorp.com

IMA, Inc.
Insurance | Risk Management | Surety | Employee Benefits

The information contained in this confidential Claims Report was obtained from unaudited information submitted by Insurance Companies and/or Third Party Administrators. It is intended to be used for illustrative purposes only. If there are any discrepancies, the Insurance Company information will prevail.



Sample Claims Report Dashboard Summary Plan Year Start: January 1, 2022 Paid through: May 31, 2022



*ACA Fees are for illustration purposes only and not to be used for filing purposes.
²NET Medical claims assumes 100% of stop loss reimbursements applied to medical claims.
 PEPM = Per Employee Per Month.



Rolling Paid Claims and Enrollment Summary Year to Date through May 31, 2022



3



Medical & Rx Plan Performance Report All Plans Executive Summary Total (All Plans)

Month	Total Employees	Total Members	Total Admin	Total Stop Loss Premium	Gross Medical Claims	Gross Rx Claims	Gross Medical & Rx Claims	Claims over Specific	Rx Rebates	NET Medical & Rx Claims	Budgeted Claims	Maximum Claims	Net Claims vs. Budgeted Claims	Total Actual Cost
A	B	C	D	E	F	G	H	I (F-G)	J	K (H+J)	L	M	N (K/L)	O (M+N)
January-22	968	1,345	\$39,201	\$65,454	\$288,039	\$83,562	\$371,601	\$0	\$0	\$371,601	\$508,359	\$560,920	66%	\$448,653
February-22	944	1,304	\$38,034	\$63,531	\$240,005	\$62,043	\$302,044	\$0	\$0	\$302,044	\$485,787	\$544,361	62%	\$403,609
March-22	920	1,287	\$37,067	\$62,521	\$462,795	\$78,299	\$541,095	\$0	\$0	\$541,095	\$477,254	\$535,941	113%	\$640,882
April-22	880	1,213	\$35,455	\$60,419	\$369,796	\$59,113	\$429,109	\$0	\$0	\$429,109	\$461,085	\$519,350	93%	\$524,964
May-22	839	1,204	\$33,803	\$57,974	\$241,787	\$73,841	\$315,628	\$0	\$0	\$315,628	\$440,914	\$496,667	72%	\$407,303
June-22														
July-22														
August-22														
September-22														
October-22														
November-22														
December-22														
Totals	4,551	6,373	\$183,360	\$309,796	\$1,683,039	\$327,058	\$1,930,077	\$0	\$0	\$1,930,077	\$2,365,398	\$2,657,220	81.6%	\$2,423,233
Averages	910	1,275	\$36,672	\$61,959	\$320,604	\$62,412	\$386,015	\$0	\$0	\$386,015	\$472,080	\$531,444		\$486,447
PPPM	\$40	\$49	\$49	\$49	\$392	\$72	\$424	\$0	\$0	\$424	\$520	\$584		\$532
PPMPM	\$29	\$49	\$252	\$51	\$303	\$371	\$417	\$0	\$0	\$417	\$371	\$417		\$380
Annualized	10,920	15,300	\$440,063	\$743,510	\$3,847,246	\$784,940	\$4,322,185	\$0	\$0	\$4,322,185	\$5,676,955	\$6,377,327		\$5,815,739
% Change	1.8%	1.3%	-16.1%	-27.0%	-9.3%	-40.7%	-18.8%		N/A	-8.0%	-13.5%	-15.0%		-10.1%
Jan-21 - Dec-21 Totals	11,119	15,330	\$723,847	\$1,044,023	\$4,119,592	\$1,152,830	\$5,472,422	\$639,467	\$0	\$4,832,954	\$4,329,534	\$4,300,221	111.6%	\$6,460,824
Averages	927	1,294	\$40,321	\$87,002	\$339,964	\$96,069	\$456,035	\$0	\$0	\$456,035	\$360,794	\$358,352		\$550,069
PPPM	\$43	\$54	\$388	\$54	\$388	\$54	\$435	\$0	\$0	\$435	\$389	\$387		\$394

Month	Employee	Spouse	Child	Family	Employee	Spouse	Child	Family
January-22	788	51	52	77	Administration	\$40.29	\$40.29	\$40.29
February-22	769	51	53	71	ISL Premium	\$45.92	\$115.10	\$116.79
March-22	742	53	55	70	ASL Premium	\$2.81	\$7.03	\$7.14
April-22	705	47	57	71	Max Claims Factor	\$308.17	\$1,124.68	\$1,097.87
May-22	668	46	58	67	IMA Expected Claims Factor (Composite)			\$519.75
June-22								
July-22								
August-22								
September-22								
October-22								
November-22								
December-22								
Average	734	50	55	71				
% Change	-3.1%	+6.4%	+0.0%	+6.0%				
January 1, 2021 - December 31, 2021	798	47	55	67				
% Change	+7.5%	-42.4%	+2.2%	+13.6%				
January 1, 2020 - December 31, 2020	684	33	45	58				
% Change	+42.1%	+58.0%	+114.3%	+55.3%				
January 1, 2019 - December 31, 2019	425	22	21	38				
Average								

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Revised on: 7/11/2022

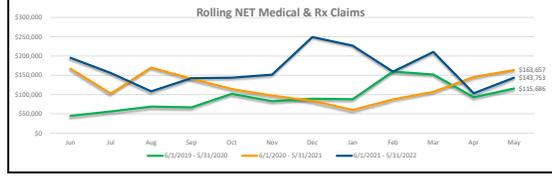


Medical & Rx
Plan Performance Report
PPO Plan Executive Summary

Month	Total Employees	Total Members	Total Fixed Cost (Admin + Stop Loss)	Gross Medical Claims	Gross Rx Claims	Gross Medical & Rx Claims	Claims over Specific	Rx Rebates	NET Medical & Rx Claims	Budgeted Claims	Maximum Claims	Net Claims vs. Budgeted Claims	Total Actual Cost
A	B	C	D	E	F	G (E + F)	H	I	J (G - H - I)	K	L	M (J / K)	N (D + J)
January-22	224	347	\$25,271	\$201,127	\$25,707	\$226,834	\$0	\$0	\$226,834	\$134,034	\$170,083	169%	\$252,105
February-22	220	345	\$25,062	\$113,596	\$45,853	\$159,449	\$0	\$0	\$159,449	\$133,509	\$169,629	119%	\$184,511
March-22	215	334	\$24,330	\$182,963	\$27,719	\$210,682	\$0	\$0	\$210,682	\$129,284	\$164,149	163%	\$235,012
April-22	210	320	\$23,887	\$86,976	\$16,354	\$103,330	\$0	\$0	\$103,330	\$127,116	\$161,457	81%	\$127,216
May-22	196	312	\$22,640	\$113,024	\$30,729	\$143,753	\$0	\$0	\$143,753	\$121,097	\$153,996	119%	\$166,393
July-22													
August-22													
September-22													
October-22													
November-22													
December-22													
Totals	1,865	1,658	\$121,190	\$697,686	\$146,362	\$844,047	\$0	\$0	\$844,047	\$645,041	\$818,313	130.9%	\$965,237
Averages	213	332	\$24,238	\$139,537	\$29,272	\$168,809	\$0	\$0	\$168,809	\$129,008	\$163,863		\$193,047
PEPM			\$114	\$655	\$137	\$793		\$0	\$793	\$606	\$769		\$906
PMPM			\$73	\$421	\$88	\$509		\$0	\$509	\$389	\$494		\$582
Annualized	2,556	3,084	\$290,855	\$1,674,445	\$331,268	\$2,005,714		\$0	\$2,005,714	\$1,248,098	\$1,906,351		\$2,316,569
% Change	-4.0%	-2.6%	-11.0%	+20.3%	-21.7%	+10.1%	N/A		+23.3%	+22.5%	+52.9%		+12.3%
Jan-21 - Dec-21 Totals	2,462	4,089	\$438,891	\$1,449,707	\$467,136	\$1,916,843	\$206,477	\$0	\$1,710,365	\$1,805,037	\$1,339,510	131.1%	\$2,149,257
Averages	222	341	\$36,574	\$120,809	\$38,928	\$159,737		\$0	\$142,530	\$108,753	\$111,626		\$179,105
PEPM			\$165	\$545	\$175	\$720		\$0	\$643	\$490	\$503		\$807

Months	Employee	+ Spouse	+ Child	+ Family
January-22	172	14	15	23
February-22	166	16	15	23
March-22	164	15	14	22
April-22	159	14	15	22
May-22	145	14	15	22
June-22				
July-22				
August-22				
September-22				
October-22				
November-22				
December-22				
Average	161	15	15	22
% Change	-6.9%	+25.0%	-6.3%	+4.8%
January 1, 2021 - December 31, 2021				
Averages	173	12	16	21
% Change	+18.2%	+50.0%	+14.3%	+23.5%
January 1, 2020 - December 31, 2020				
Averages	146	8	14	17
% Change	+44.6%	+33.3%	+100.0%	+21.4%
January 1, 2019 - December 31, 2019				
Averages	101	6	7	14

Plan Cost vs. Employee Contributions				
Total Actual Cost of PPO Plan				\$965,237
Percentage of Total Actual Cost (Not including ACA fees)				39.8%
Total Estimated PPO Plan EE Premiums				\$337,094
Percentage of Total EE Premiums				57.9%
Current Rates				
Employee	+ Spouse	+ Child	+ Family	
Administration	\$40.29	\$40.29	\$40.29	\$40.29
ISI Premium	\$45.92	\$115.10	\$116.79	\$176.01
ESI Premium	\$2.81	\$7.03	\$7.24	\$10.76
Expected Claims	\$429.92	\$1,027.26	\$1,008.14	\$1,329.76



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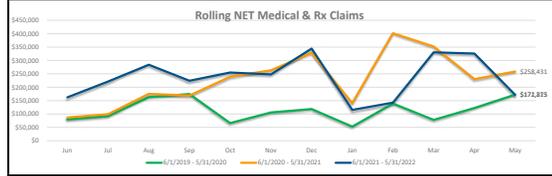


Medical & Rx
Plan Performance Report
HDHP Executive Summary

Month	Total Employees	Total Members	Total Fixed Cost (Admin + Stop Loss)	Gross Medical Claims	Gross Rx Claims	Gross Medical & Rx Claims	Claims over Specific	Rx Rebates	NET Medical & Rx Claims	Budgeted Claims	Maximum Claims	Net Claims vs. Budgeted Claims	Total Actual Cost
A	B	C	D	E	F	G (E + F)	H	I	J (G - H - I)	K	L	M (J / K)	N (D + J)
January-22	744	998	\$79,183	\$87,513	\$27,855	\$115,367	\$0	\$0	\$115,367	\$366,324	\$390,818	31%	\$194,550
February-22	724	959	\$76,503	\$126,406	\$16,190	\$142,595	\$0	\$0	\$142,595	\$352,278	\$374,723	40%	\$210,098
March-22	705	953	\$75,257	\$279,832	\$50,580	\$330,412	\$0	\$0	\$330,412	\$347,969	\$372,792	95%	\$405,670
April-22	670	913	\$71,988	\$282,820	\$42,960	\$325,780	\$0	\$0	\$325,780	\$333,969	\$357,894	98%	\$397,768
May-22	643	892	\$69,034	\$128,763	\$43,112	\$171,875	\$0	\$0	\$171,875	\$319,817	\$342,671	54%	\$240,909
July-22													
August-22													
September-22													
October-22													
November-22													
December-22													
Totals	3,486	4,715	\$371,966	\$905,333	\$180,696	\$1,086,030	\$0	\$0	\$1,086,030	\$1,720,337	\$1,837,906	63.1%	\$1,437,995
Averages	697	943	\$74,393	\$181,067	\$36,139	\$217,206		\$0	\$217,206	\$344,071	\$363,581		\$215,999
PEPM			\$107	\$260	\$52	\$312		\$0	\$312	\$494	\$527		\$418
PMPM			\$79	\$192	\$38	\$230		\$0	\$230	\$365	\$390		\$309
Annualized	8,364	11,316	\$892,718	\$2,172,800	\$433,671	\$2,606,471		\$0	\$2,606,471	\$4,128,857	\$4,410,975		\$3,499,189
% Change	-1.1%	-1.1%	-32.1%	-21.5%	-36.1%	-25.5%	N/A		\$3,62%	+38.0%	+50.6%		+20.5%
Jan-21 - Dec-21 Totals	8,457	11,441	\$1,328,979	\$2,869,885	\$685,694	\$3,555,579	\$432,990	\$0	\$3,122,589	\$3,024,497	\$2,960,711	103.2%	\$4,451,568
Averages	705	953	\$110,748	\$239,157	\$57,141	\$296,298		\$0	\$240,216	\$252,041	\$246,726		\$370,964
PEPM			\$157	\$339	\$81	\$420		\$0	\$369	\$558	\$550		\$526

Months	Employee	+ Spouse	+ Child	+ Family
January-22	615	37	37	54
February-22	603	35	38	48
March-22	578	38	41	48
April-22	546	33	42	49
May-22	523	32	43	45
June-22				
July-22				
August-22				
September-22				
October-22				
November-22				
December-22				
Average	573	35	40	49
% Change	-2.1%	+0.0%	+2.6%	+6.5%
January 1, 2021 - December 31, 2021				
Averages	585	35	39	46
% Change	+28.0%	+21.9%	+21.9%	+9.5%
January 1, 2020 - December 31, 2020				
Averages	457	25	32	42
% Change	+40.0%	+56.3%	+128.6%	+75.0%
January 1, 2019 - December 31, 2019				
Averages	325	16	14	24

Plan Cost vs. Employee Contributions				
Total Actual Cost of HDHP Plan				\$1,437,995
Percentage of Total Actual Cost (Not including ACA fees)				60.2%
Total Estimated HDHP EE Premiums				\$245,320
Percentage of Total EE Premiums				42.1%
Current Rates				
Employee	+ Spouse	+ Child	+ Family	
Administration	\$40.29	\$40.29	\$40.29	\$40.29
ISI Premium	\$45.92	\$115.10	\$116.79	\$176.01
ESI Premium	\$2.81	\$7.03	\$7.24	\$10.76
Expected Claims	\$372.91	\$853.83	\$817.45	\$1,384.71



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Revised on: 7/11/2022



Specific Stop Loss Tracking Information (Claims over \$75,000)
Specific Deductible = \$150,000, Stop Loss 24/12 Contract, Policy Includes Medical & Rx Claims
Paid Claims Through May 31, 2022

Prior Year Claims Total	Enrollment Status	Disease State	Diagnosis	Relationship	Gender	Plan	Specific Deductible	Paid YTD	Increase from Prior Month	Amount Over Deductible	% of Deductible	Claims Trend
1	\$306,477	Active	Chronic	Diverticular Disease of Intestine	Employee	Male	PPD	\$150,000	\$130,131	\$13,392	86.8%	
2	\$146,967	Active	Chronic	Chronic Kidney Disease	Employee	Male	HDHP	\$150,000	\$124,924	\$1,083	83.3%	
3	\$296,834	Active	Chronic	Chronic Sinusitis, Malignant neoplasms of Liver	Employee	Male	HDHP	\$150,000	\$102,885	\$102,885	68.6%	
4	\$0	TBD	TBD	TBD	TBD	TBD	\$150,000	\$90,710	\$12,566	\$0	60.5%	
								Current Year Large Claimant Summary				
Total Gross Large Claims Paid								\$448,659				
Total Amount over Specific Stop Loss Level:								\$0				
NET Large Claims Paid								\$448,659				
Gross Large Claim Dollars as a Percentage of Gross Medical & Rx Claims:								23.2%				
Specific Stop Loss Level								\$150,000				
								Prior Year Large Claimant Summary				
Total Gross Large Claims Paid								2021	2020			
Total Amount over Specific Stop Loss Level:								\$2,168,854	\$1,599,708			
NET Large Claims Paid								\$639,467	\$441,417			
Gross Large Claim Dollars as a Percentage of Gross Medical & Rx Claims:								\$1,529,386	\$1,138,291			
Specific Stop Loss Level								39.6%	29.0%			
Total Claimants Over \$100,000								7	6			

Color Code
Claim has exceeded 75% of stop loss
Claim has exceeded 70% of stop loss
Claim has exceeded 50% of stop loss
Claim has exceeded 25% of stop loss



Medical and Rx Plan Budget - No Aggregate Stop Loss Applied
January 1, 2022 through May 31, 2022

Month	Total Fixed Cost	Net Medical & Rx Claims - Not Capped by ASL	Budgeted Claims	Total Actual Cost	Estimated EE Contribution	Estimated Total Actual ER Cost	Total Budgeted Cost	Difference vs. Total Actual Costs
A	B	C	D	E (B + C)	F	G (E - F)	H	I (H - I)
January-22	\$104,454	\$342,201	\$500,359	\$446,655	\$121,268	\$325,387	\$604,813	\$158,158
February-22	\$101,565	\$302,044	\$485,787	\$403,609	\$118,372	\$285,237	\$587,352	\$183,743
March-22	\$99,587	\$541,095	\$477,254	\$640,682	\$117,435	\$523,247	\$576,841	(\$63,841)
April-22	\$95,875	\$429,109	\$461,085	\$524,984	\$115,065	\$409,919	\$556,959	\$31,975
May-22	\$91,674	\$315,628	\$440,914	\$407,303	\$110,274	\$297,029	\$532,588	\$125,286
June-22								
July-22								
August-22								
September-22								
October-22								
November-22								
December-22								
Totals	\$493,155	\$1,930,077	\$2,365,398	\$2,423,233	\$582,414	\$1,840,819	\$2,858,553	\$435,321
Average	\$98,631	\$386,015	\$473,080	\$484,647	\$116,483	\$368,164	\$571,711	\$87,064
PEPM	\$108	\$424	\$520	\$532	\$128	\$404	\$628	\$96
PMPM	\$77	\$303	\$371	\$380	\$91	\$289	\$449	\$68
Annualized	\$1,183,573	\$4,632,185	\$5,676,955	\$5,815,759	\$1,397,794	\$4,417,965	\$6,860,528	\$1,044,770
% Change	+3.8%	+2.4%	+3.3%	+0.3%	+13.0%	-15.8%	+14.5%	+11.3%
Jan-21 - Dec-21 Totals	\$1,767,870	\$4,832,954	\$4,329,534	\$6,600,824	\$1,258,715	\$5,342,109	\$6,097,404	(\$503,421)
Average	\$147,323	\$402,746	\$360,794	\$550,069	\$104,893	\$445,176	\$508,117	(\$41,952)
PEPM	\$159	\$435	\$389	\$594	\$113	\$480	\$548	(\$45)

Employee Contributions				
	Employee	+ Spouse	+ Child	+ Family
PPO Plan	\$208.00	\$370.00	\$550.00	\$778.00
HDHP	\$15.00	\$299.00	\$285.00	\$380.00

Employer Contributions				
	Employee	+ Spouse	+ Child	+ Family
PPO Plan	\$310.94	\$619.68	\$622.36	\$778.82
HDHP	\$446.93	\$717.25	\$696.67	\$1,231.77

Total Monthly Funding				
	Employee	+ Spouse	+ Child	+ Family
PPO Plan	\$518.94	\$1,189.68	\$1,172.36	\$1,556.82
HDHP	\$461.93	\$1,016.25	\$981.67	\$1,611.77

\$2,423,233	NET Plan Cost (Total Cost)
\$532	PEPM
\$2,858,553	Gross Budget
\$628	PEPM
\$582,414	Employee Contributions
\$128	PEPM
24.0%	% NET Plan Cost (Total Cost)
\$1,840,819	NET Sample Claims Cost
\$404	PEPM
\$435,321	Estimated Surplus/(Deficit)
84.8%	NET Plan Cost as % of Budget



**Dental
Plan Performance Report
Dental Executive Summary**

Month	Total Employees	Total Members	Total Fixed Cost	Dental Claims - Delta Dental Plan	Total Dental Claims	Expected Dental Claims	NET Dental vs. Expected	Total Actual Cost	Total Expected Costs
A	B	C	D	E	H	I	J	K	L
				(E + F + G)	(H + I + J)			(K + L)	(M + N)
January-22	961	1,418	\$3,652	\$21,785	\$21,785	\$27,431	79%	\$25,436	\$31,083
February-22	939	1,380	\$3,568	\$23,387	\$23,387	\$26,669	88%	\$26,955	\$30,237
March-22	915	1,357	\$3,477	\$32,201	\$32,201	\$26,100	123%	\$35,678	\$29,579
April-22	878	1,308	\$3,336	\$24,224	\$24,224	\$25,135	97%	\$27,660	\$28,472
May-22	858	1,277	\$3,260	\$22,556	\$22,556	\$24,606	92%	\$25,817	\$27,867
June-22	796	1,185	\$3,025	\$13,940	\$13,940	\$22,915	61%	\$16,965	\$25,940
July-22									
August-22									
September-22									
October-22									
November-22									
December-22									
Totals	5,347	7,925	\$20,319	\$138,193	\$138,193	\$152,858	90.4%	\$158,512	\$173,177
Averages	891	1,321	\$3,386	\$23,032	\$23,032	\$25,476		\$26,419	\$28,863
PEPM			\$3.80	\$25.84	\$25.84	\$28.59		\$29.64	\$32.39
Annualized	10,694	15,850	\$40,637	\$276,386	\$276,386	\$305,716		\$317,023	\$346,353
% Change	-2.5%	-1.9%	-21.6%	-1.5%	-1.5%	+7.4%		-4.6%	+2.9%
Jan-21 - Dec-21 Totals	10,968	16,161	\$53,195	\$287,658	\$287,658	\$291,520	98.5%	\$340,853	\$345,115
Averages	914	1,347	\$4,433	\$23,972	\$23,972	\$28,327		\$28,404	\$28,560
PEPM			\$4.85	\$26.23	\$26.23	\$26.62		\$31.08	\$31.47
% Change	+30.0%	+32.9%	-14.5%	+16.4%	+16.4%	+4.4%		+10.1%	+0.9%
Jan-20 - Dec-20 Totals	8,437	12,160	\$48,091	\$190,100	\$190,100	\$215,088	88.4%	\$238,191	\$263,179
Averages	703	1,013	\$4,008	\$15,842	\$15,842	\$17,924		\$19,849	\$21,932
PEPM			\$5.70	\$22.53	\$22.53	\$25.49		\$28.23	\$31.19
% Change	+58.7%	+60.9%	+0.0%	-0.3%	-0.3%	+19.9%		-0.3%	+15.7%
Jan-19 - Dec-19 Totals	5,316	7,558	\$30,301	\$120,155	\$120,155	\$113,029	106.3%	\$160,456	\$143,330
Averages	443	630	\$5,528	\$16,013	\$16,013	\$9,418		\$12,338	\$11,844
PEPM			\$5.70	\$22.60	\$22.60	\$21.26		\$28.30	\$26.96

Months	Employee	+ Spouse	+ Child	+ Family	Employee	+ Spouse	+ Child	+ Family
January-22	742	66	65	88	Administration	\$3.80	\$3.80	\$3.80
February-22	727	66	63	83	Delta Dental Plan C	\$20.23	\$43.67	\$40.53
March-22	707	60	65	83				
April-22	675	57	67	79				
May-22	656	58	69	75				
June-22	608	55	60	73				
July-22								
August-22								
September-22								
October-22								
November-22								
December-22								
Average	686	60	65	80				
% Change	-8.6%	-10.0%	-8.5%	+2.8%				
January 1, 2021 - December 31, 2021	704	67	65	78				
Averages	704	67	65	78				
% Change	+27.5%	+48.9%	+51.2%	+23.8%				



SAMPLE IBNR



**Claim Reserves
(Should Plan Terminate April 30, 2022)**

Line of business	Medical / Rx
Carrier	Cigna
May 2021 to April 2022 Paid Claims	\$2,391,484
<u>Estimated Incurred But Not Reported Claim Liability</u>	<u>\$179,267</u>
Lag Factor suggested by Claim Liability	0.90
Margin Rate	10%
<u>Total Margin</u>	<u>\$17,927</u>
Total Claim Liability with Margin	\$197,193

** The medical administration runout costs are not included in the calculations above.

- The above exhibit is provided to assist in evaluating your program and estimating plan expenses. Data was gathered from various sources and is unaudited

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COST CONTROL STRATEGY EXAMPLES

INNOVATIVE SOLUTION #1

ONSITE CLINIC ARRANGEMENTS

IMA has reviewed and successfully implemented onsite medical clinics, built a customized client clinic arrangement in partnership with a local hospital/physician practice, engaged near-site clinics and implemented Direct Primary Care (DPC) solutions for multiple clients. This is an example of a recent project reviewing onsite clinic solutions for two of our clients. With both clients located in the same city, we proposed a series of options regarding onsite health clinics. The options range from individually owned clinics, to individually owned yet mutually shared clinics, to multiple mutually owned clinics. The scope of the review captured onsite clinics, near site clinics and Direct Primary Care.

The IMA team followed a defined process of review to these clients to ensure an informed decision and successful program, if elected.

That process entailed:

- + General introduction of the concept of onsite/near site clinics and DPC to each entity
- + Educating over the course of several meetings the value of a clinic arrangement
- + Illustrating, with detailed data specific to each client's actual utilization, the potential for plan savings
- + Detailing the pros and cons of individual versus shared clinic arrangements
- + Vetting multiple clinic vendors
- + Presenting detailed analysis of each scenario and vendor to both clients
- + Facilitating finalist presentations by three selected vendors to a joint meeting of client decision makers
- + Facilitating a vendor review and scorecard, as well as follow-up conversations
- + Initial illustration of project plan through implementation and go-live

The initial recommendation from IMA was for both entities to develop and own their individual onsite clinic and create a shared arrangement in which members of both clients could access either location. This would double the locations for members and encourage more utilization, which ultimately benefits the plan through both avoided spend and future plan performance savings.

Ultimately, IMA's recommendation was to pursue individually owned clinics as a starting point. We have recommended selecting the same vendor from the three finalists so that a Phase 2 of sharing would be easily accomplished without having to change one vendor or try and coordinate two competing vendors. One of the two clients elected to move forward with a near-site clinic; the IMA team drew on their experience implementing and managing clinics with other clients to provide a detailed project plan for implementation and communication to members. The current financial/savings analysis is built to be continually updated and will be reviewed annually. As time goes on, the year-over-year analysis will clearly and concisely demonstrate the cost/(savings), participation and success of the program so that our client can make informed decisions on the ongoing management of the program.

INNOVATIVE SOLUTION #2

PHARMACY BENEFIT AND THIRD-PARTY ADMINISTRATOR SOLUTION

We work with a large Kansas school district with approximately 1000 employees enrolled and 2000 total members. The district is self-funded on the ASO with Blue Cross Blue Shield of Kansas. They selected a \$250,000 individual specific deductible for the plan which averages an annual spend of \$11,000,000.

The client's goal was to maintain the BCBSKS network but save costs to create more sustainability in their reserve to begin rebuilding and employee contributions. IMA completed a full network and TPA marketing effort but discovered that there were gaps in the network and there would have been unacceptable disruption for the employees.

The district needed to remain with the BCBSKS network. Additionally, the Rx spend equaled 37% of total spend of the overall plan. This spend included an orphan drug costing \$550,000 per year. The current PBM arrangement had no rebates available. Market research confirmed that for this prescription, script sourcing was not available through the manufacturer nor was there foundational assistance or international purchasing options.

Through research and direct calls to PBM/Manufacturers, IMA was able to determine there was an alternative medication that was an exact match and about half the cost. IMA contacted the main specialty pharmacy that distributes the medication and aligned that while the medication is for children from age 6 to 17, it can be prescribed off-label for adults. The cost of the alternative was approximately \$240,000 a year. The group's ISL is \$250,000, so if Prime/BCBSKS had identified/sourced this alternative the client would have had fewer overages applying to their historical SL renewals.

IMA discussed this option with BCBSKS and negotiated that BCBSKS allow the employer to move to the National Alliance platform – a Blue Cross Blue Shield owned TPA. The TPA model would allow a PBM carve-out if they could not source the alternative medication or provide transparent PBM contracts to allow full negotiations. The client's medical claims were under benchmark; IMA focused on the easiest transition to gain Rx control. Without the orphan drug, Rx spend was still at 33% of total spend; market benchmark is 17%. Additionally, the client was only receiving 80% of Rx rebates.

The arrangement was not transparent due to the BCBSKS/Prime ASO relationship. To support the need to transition we received an illustrative quote through a PBM aggregator that showed the client was missed a substantial amount of Rx rebates which totaled approximately \$428,000. IMA negotiated the pricing guarantees and contract gaps based on market benchmarks on the preferred PBMs contract OptumRx which allowed the client to leverage strong rebate guarantees to save substantial cost. The new formulary had minimal disruption and we have a notification plan to allow members time to work with their physicians to find alternatives.

The client was also able to save \$417,914 in fixed cost savings in their administrative costs. National Alliance will offer future flexibility to market the stop loss in future years for potential additional savings.



INNOVATIVE SOLUTION #3

STRATEGIC PLAN MANAGEMENT

We continually engage our clients in strategic planning regarding the structure of the Med/Rx plan offerings. The “structure” encompasses the plan funding mechanism, carrier partners, network solutions, plan offerings and contribution strategies.

This ongoing strategic planning is supported by:

- + IMA provided claims and cost driver analysis
- + Demographic analysis
- + National, regional, local benchmarking both against public sector peers and private sector employers
- + Evolving local market considerations
- + Industry trends and emerging innovations

At our annual strategy meeting, the technical analyst will review the prior year plan performance and claims utilization. This review includes an analysis of the true cost of each plan when accounting for associated fixed costs and claims, any client cost relating to HRA or HSA contributions, and amount of employee contributions.

By accounting for all variables, we can get a clear picture of the true cost of each plan to our client and the resulting actual relative value of those plans. Additionally, we utilize our predictive analytics tool to model out the actuarial relative value of the plans (using your own demographics and plan inputs) and can compare those to those actual relative values just described.

This review goes beyond simply calculating a loss ratio by plan and drives conversations of how each particular plan is performing, where your underlying risk lies within the plans and serves as the foundation for discussing future strategies. This insight will enable the client to make informed decisions on how to structure the plan and contributions and is a starting point in analyzing any potential changes moving forward. We work with clients collaboratively to marry that information with the client's desires and priorities to create a multi-year strategic plan.

We recently ran this process with a client that was new to this team. We identified that the PPO plan and HRA plan were nearly identical in true cost to the employer (due to very low EE contributions on HRA plan and a high ER contribution to the HRA) but the employee contributions were 30% lower on the HRA plan.

The employer believed this was to drive members to a lower costing plan, unaware that in fact the dual set-up was structured in a way that was costing them almost the same. We also identified that the PPO plan (as expected) continued to have nearly all the high-cost claimants even with the significantly higher contributions and offering the HRA dollars.

We collaborated to structure a plan for 2022 to implement an Accountable Care Organization (ACO) in the place of the PPO plan to better manage the high costing claimants that will undoubtedly remain on that plan. The ACO has better facility pricing at a hospital that has seen, on average over the last three years, over 45% of all facility claims in the PPO plan (and this is in a market with many hospital systems). We also reduced the ACO contributions and increased the HDHP/HRA contributions by 10% to close the artificial gap between those plans.

This strategy acknowledges that our high utilizers will remain in the copay-based plan and puts in place a mechanism to better manage those members while also controlling plan spend. The HDHP/HRA participants will now “pull a little more weight” relative to their cost to the plan. This intentional, better-aligned plan is projected to save the client over 10% next year with no benefit take-aways, minimal contribution increases and many plan enhancements on the ACO plan (including \$0 member share on all PCP, virtual and other care).

INNOVATIVE SOLUTION #4

PHARMACY BENEFIT MANAGEMENT SOLUTIONS

We understand that the Pharmacy Benefit Management (PBM) landscape is becoming increasingly complex as pharmacy spend rises at an unsustainable pace. We are intentional to continually research the industry, review contractual nuances, vet new market entrants and attend continuing education sessions to ensure that we are well positioned to help our client navigate this complexity and control plan spend. Within the PBM world, there are competing structural approaches and philosophies of the best way to control plan spend. One approach is pricing and market driven and is rooted in the large PBMs having superior purchasing power due to their number of covered lives and can therefore negotiate prices on drugs and higher rebates.

Another competing approach focuses on the “lowest net cost” approach which seeks to steer members from higher costing drugs to lower costing alternatives. While there is not necessarily a clearly marked delineation between the two, that is a simplistic summary of the current marketplace. While many of our peers tend to focus their efforts on one solution or the other, we are intentional to be more informative and consultative in our approach to managing pharmacy costs with our clients.

We don't believe that controlling pharmacy spend is simply a once-every-three-years RFP process. We seek to inform our clients of the differences between the varying approaches and the competing PBMs in the marketplace.

At our annual strategy meeting we will discuss the top priority for ACS, including your philosophical belief as to the best model for the plan and membership. We will also detail our recommended approach for cost control for the following year. This discussion will result in collaboratively determining the next steps and will result in IMA creating a detailed project plan to see the strategy to completion. This approach ensures we are continually informing ACS of the cost drivers within the pharmacy plan, alternatives that exist in the marketplace, solutions available with your existing vendor or as third-party solutions, and actively controlling spend on a proactive and continual basis. This process varies across direct contractual pricing negotiations/ enhancements with your incumbent PBM, competitive marketing, and/or a combination of the two.

This approach yields significant results in three different case studies as illustrated below:

1. Direct Contract Negotiation with Existing PBM

- Negotiated a 76% increase in rebates
- Lowered the dispensing fees
- Increased AWP discounts
- Improved contract definitions to close cost-driving loopholes
- Realized savings: 14%

2. Full PBM Marketing – including both the large price/market driven PBMs and low net cost PBMs

- Estimated Savings: 30%

3. Full PBM Marketing – including both the large price/market driven PBMs and low net cost PBMs

- Renewed with incumbent low net cost PBM
- Estimated Savings: 22%

SAMPLE FEE AGREEMENT

SAMPLE Agreement for Services

This Agreement for services is made and entered into as of the 1st day of July, 2022 by and among **ABC Company** for itself and its Named Insureds (hereinafter collectively referred to as “Client”), and IMA, Inc. and its subsidiaries (hereinafter referred to as “IMA”). Named Insureds shall be defined as those entities set forth on policies of insurance covered by this Agreement.

Client has requested IMA to perform certain services (the “Services”) described in Schedule A attached hereto. IMA has agreed to render such Services to Client on the terms and conditions set forth below, and IMA and Client agree it would be to their mutual advantage to execute this Agreement and thereby define the terms and conditions which shall control the rendering of Services to Client by IMA. Fees and payment terms for the provided Services are described in Schedule B attached hereto.

Now, therefore, in consideration of the premises and the covenants and agreements herein contained and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. Confidentiality. IMA and the Client agree that all such Proprietary Information exchanged during the performance of Services under this Agreement shall remain the sole and separate property of the party providing the same, subject to the terms and conditions set forth herein. Proprietary Information includes, without limitation, all information concerning the identities, needs, expirations, policies, or purchasing habits of the Client, all business systems, financial data, computer data or processes, forms appraisals, loss experience, other similar data and other business records; provided, however, such Proprietary Information shall not include information that is in the public domain or is readily available or accessible to the public.

IMA and the Client agree that all such Proprietary Information shall not be disclosed, communicated or otherwise transferred or made available to unrelated third parties without the prior written consent of the entity whose Proprietary Information is being shared, except for those employees, agents, representatives and permitted assigns with a reasonable need to know such Proprietary Information to facilitate the performance of services hereunder. Notwithstanding any term or condition herein to the contrary, each party understands and agrees that upon receipt by either party of an order from a court of competent jurisdiction, the restrictions set forth herein shall not prohibit the receiving party of such order from compliance with any such order. The confidentiality provisions set forth herein shall survive the termination of the Agreement.

2. Term and Termination. This Agreement will become effective 12:01 a.m., July 1, 2022 and terminate 12:01 a.m., January 1, 2023 or unless canceled by either party upon

ninety (90) days prior written notice of said cancellation, except in the case of nonpayment. Upon cancellation or expiration of the term of this Agreement, no further Services will be provided by IMA to Client except those Services deemed necessary in the sole discretion of IMA to complete the existing Services provided to Client by IMA during the term of the Agreement.

3. Assignment. This Agreement may not be assigned by the Client without the prior written consent of IMA, which shall not be unreasonably withheld, and shall be binding upon and shall inure to the benefit of the parties hereto and their successors and permitted assigns. Nothing in the Agreement is intended to nor shall confer upon any person or legal entity other than Client or IMA and their respective permitted successors and assigns, any rights or remedies under or by reason of this Agreement.

4. Compensation Disclosure. The IMA Financial Group, Inc. is a national financial services company with numerous affiliates and subsidiaries, including IMA, Inc.; IMA Select; Cornerstone Risk Solutions, LLC; IMA Acumen, LLC; Towerstone, Inc.; IMA Wealth. and Eydent Insurance Services, LLC, (collectively the “IMA Group”). These entities, excluding IMA Acumen, LLC, are insurance producers licensed in accordance with respective state requirements. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers.

The producer may have access to more than one insurance company to place the purchaser’s coverage. The producer may have authority to obligate the insurance company on the purchaser’s behalf and as a result may be required to act within the scope of contractual agreements with the insurer.

Compensation will be paid to the producer by the insurer or other third parties. Compensation may vary depending on a number of factors, including the insurer and the insurance contract the purchaser selects, the volume of business the producer places with the insurer, and the profitability of that business. In addition to the compensation received by the IMA Group, other parties, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by the IMA Group), may earn and retain usual and customary commissions or other compensations for providing insurance products to a Client under separate contracts with insurers or reinsurers. Such payments will not be considered as compensation to IMA and will not offset any compensation payable to IMA. In addition, there may be referral compensation shared within the IMA Group. Further, the IMA Group may receive contingent or incentive payments or allowances from insurers or finance companies based on the size or performance of an overall book of business produced with them by the IMA Group. Additionally,

expense reimbursements for travel or technology enhancements, salary offsets or de minimus gifts may be provided. The IMA Group may also receive interest on premium being held prior to disbursement.

Upon written request, the IMA Group will provide to Client additional details and information about any and all compensation arrangements for insurance placed and/or quoted on behalf of the Client.

5. Limitation on Stop Loss Liability. IMA does not make any representations regarding an insurer's or Managing General Underwriter's (MGU) payment or claims denial practices. We do not warrant in any way that all claims submitted to the stop loss carrier will be approved and ultimately reimbursed. The terms and conditions of covered claims for the stop loss insurance policy may not fully correlate with the benefits covered under your benefits program. We will use all information and data supplied by the Client or on the Client's behalf without independently verifying the accuracy, completeness or timeliness of it. IMA will not be responsible for any delays or liability arising from missing, delayed, incomplete, inaccurate or outdated information and data except as provided in Section 6 below.

6. Business Responsibility. All Services hereunder shall be provided by IMA to Client in accordance with applicable industry standards and applicable laws and regulations. In turn, Client acknowledges that IMA has made no representation, warranty, or guaranty concerning either the performance of, or the results to be obtained from, the Services provided hereunder. Additionally, IMA has made no representation, warranty, or guaranty concerning the financial condition of any insurance carrier providing coverage to Client. The Client remains solely responsible for reporting and communicating changes in exposures, loss-related data, ownership and other material changes in writing to IMA; further, the Client remains solely responsible for the conduct and governance of its business operations. Client further agrees that any fines or penalties assessed against Client under any local, state, or federal occupational safety and health law, the Americans with Disabilities Act, any local, state, or federal order, rule or statute pertaining to the protection of the environment, or any other local, state, or federal laws, statutes, orders, or regulations shall be the Client's sole responsibility, and that IMA shall have no responsibility or liability for any portion of any such fines or penalties.

7. Final Agreement and Jurisdiction. This Agreement represents the entire understanding and agreement of the parties hereto with respect to the subject matter hereof, supersedes all prior negotiations between such parties, and cannot be amended, supplemented, or modified except by an agreement in writing signed by the party or parties against whom enforcement is sought and making specific reference to in this Agreement. In the event any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions of the Agreement and any

other application thereof shall not in any way be affected or impaired thereby. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado applicable to contracts made in that state.

8. Execution by Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be one and the same instrument.

9. Notice. Any notice by either party to the other party shall be deemed served effective (i) upon delivery, if personally delivered, (ii) upon delivery to Federal Express or other similar courier service, marked for next day delivery, addressed as set forth below, (iii) upon receipt if sent by registered or certified mail, return receipt requested, addressed as set forth below. The notice addresses of the parties are:

If to Client:

If to IMA: Kristi Gjellum
IMA, Inc.
1705 17th Street, Suite 100
Denver, CO 80202

The customary registered/certified receipt or Federal Express or other courier receipt shall be evidence of such notice. Either party hereto may change the name and address of the designee to whom their notice shall be sent by giving written notice of such change to the other party hereto in the manner above provided, at least ten (10) days prior to the effective date of such notice.

10. Engagement Confirmation. The parties agree that the Services provided herein contemplate services in addition to placement activity. No insurance product sale is required under this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

“IMA”

“Client”

IMA, Inc.

By: _____

By: _____

Printed Name & Title:

Printed Name & Title:

Date: _____

Date: _____

Schedule A – Description of Services
Benefit Risk Management

For the purposes of this Agreement, Services shall be defined as set forth below, provided, however, the delivery of all such Services is conditioned upon payment of all invoices, fees and premium associated therewith or due hereunder. Some services may be provided by an authorized services provider acting on behalf of IMA. For the purposes of this Agreement, the employee benefits risk management Services provided shall include the following insurance policies and coverages:

All employee benefits coverages in place as of the date of this contract

In some instances, risk placements made by IMA on behalf of the Client may require the payment of state surplus lines or other premium taxes, Federal excise taxes, and/or fees in addition to the premium itself. IMA will make every effort to identify any such tax and/or fee in advance, but in all instances the payment of these taxes and/or fees will remain the sole responsibility and liability of Client.

The Client will have the responsibility to report and communicate changes in exposures, loss-related data, ownership and other material changes in writing to IMA who shall communicate such information to the Clients’ insurance carrier(s).

Some services listed may be applicable only when third party data is available to your organization. Where the data is applicable and/or available, services defined within this agreement shall include, but are not limited to:

Fee Agreement Schedule A Scope of Services	
Health & Welfare Benefit Plan Strategic Consulting	
◆	Assist with development of a multi-year strategy for all benefits linking goals/objectives for overall plan performance to Client’s business goals
◆	Provide advisory services including, but not limited to: cost containment and funding approaches, plan and process change recommendations
◆	Health and Welfare benefit plan design analysis and recommendations
◆	Benchmark reporting
◆	Meetings with management and/or benefits personnel as requested and at agreed upon regular intervals.

Fee Agreement Schedule A Scope of Services	
Health & Welfare Benefit Plan Strategic Consulting	
◆	Assistance with escalated claims issues
◆	Assistance with billing issues
◆	Benefit plan structure and eligibility questions
◆	Carrier/vendor liaison
◆	Project management of all vendor implementations, including if multiple
◆	Contract support including <ul style="list-style-type: none"> ➤ Non-legal contract review for all benefit program vendors
◆	Strive App Advanced <ul style="list-style-type: none"> ➤ Benefits Wallet ➤ Telemedicine Integration ➤ Rx Pricing ➤ Store ID Cards ➤ Benefits Guidebook ➤ Find a Provider ➤ Push Notifications ➤ Member Specific Med, Den, Vision Plans ➤ Custom Welcome Emails ➤ Plan Deductible Accumulators ➤ Census Based Launch
◆	
Vendor-Related Services	
◆	Assist with management of Request for Information (RFI)/Request for Proposal (RFP) process
◆	Carrier/vendor renewal negotiations
◆	Market health & welfare plans/contracts as needed
◆	Assistance with vendor evaluations

Fee Agreement Schedule A Scope of Services

- ◆ Evaluation and review of plans and coverages
- ◆ Ensure implementation of policy changes with vendor(s)

Underwriting and Financial Services

- ◆ Analysis of renewal information, including, but not limited to:
 - loss ratios
 - trend
 - pooling charges
 - maturation factors and administrative loads
 - validation of carriers underwriting assumptions
 - review and evaluation of stop loss levels and pricing
- ◆ Alternative funding review and modeling
- ◆ Provide funding information including premium equivalent rates, COBRA rates and IBNR
- ◆ Plan financial analysis, including but not limited to:
 - Network disruption analysis
 - program cost projections
 - employee contribution development
 - reserve setting
 - customized monthly financial recap
 - year-end expense projections and reconciliations

Regulatory Compliance Services
◆ Provide legislative and regulatory updates
◆ Health Care Reform general and client-specific analysis and guidance
◆ Resource for benefit program and compliance-related questions
◆ Assist with annual Form 5500 filings by collecting Schedule A's for all of Client's benefits plans.
Communications Services
◆ Development of communication strategy and assistance in drafting Plan related communications materials
◆ Support employee communication efforts
◆ Open enrollment support
◆ Assessment and guidance for enrollment solutions
HR Technology Assessment and Resources
◆ Assess current technology needs and define goals
◆ Engage with subject matter experts
◆ Manage Request for Information (RFI)/Request for Proposal (RFP) process
Wellness
◆ Perform comprehensive assessment including, but not limited to claims and costs analysis
◆ Assist in development of employer goals and strategy
◆ Assist in development of communication and employee engagement strategy and implementation support
◆ Vendor management and HRM RFP preparation

Benefit Analytics

- ◆ Comprehensive reporting on data and predictive modeling related to multiple benefit plan components including:
 - Plan Design
 - Stoploss
 - Care Management
 - Population Management
 - Patient Compliance
 - Other Customized Reports
 - Year-over-year comparisons

HR Resources

- ◆ Access to Mineral (ThinkHR) Hotline
- ◆ Access to Mineral (ThinkHR) Training courses
- ◆ Access to Mineral (ThinkHR) Library
- ◆ Access to Mineral (ThinkHR) Benefits Compliance Suite including plan documents

In addition to the fee for services set forth in Schedule B, IMA will receive and retain usual and customary policy specific commission payable by the carrier for the policies listed below and such commission will not be offset or applied to the annual fee due under the Agreement.

July 1, 2022 – December 31, 2022 – All Lines of Coverage
January 1, 2023- December 31, 2023 – Voluntary Worksite Coverages

Other services which are not listed above may be considered outside our scope of services and additional fees may apply. In the case that a service is outside the scope of services (i.e., excessive travel, meetings, printing costs, etc.) IMA will notify the client and negotiate additional fees prior to providing services.

Schedule B – Compensation of Services

1. Client shall pay to IMA as compensation for the Services provided by IMA to Client as follows (sample compensation):

07/01/2022 – 12/31/2022	IMA will be compensated by commission from the carriers or IMA will work net of commission from the carriers and bill ABC Company \$12,500 monthly.
01/01/2023 - 12/31/2023	IMA will bill based on full-time benefit eligible employee headcount reported by ABC Company at the beginning of each Jan 1 st and forward on an annual basis. The compensation schedule is based on the reported headcount.
550 – 750 Employees	\$150,000 annual fee billed monthly \$12,500
750 – 1,000 Employees	\$175,000 annual fee billed monthly \$14,583
1,000 – 1,250 employees	\$200,000 annual fee billed monthly \$16,667
1,250 – 1,500 employees	\$250,000 annual fee billed monthly \$20,833

The 2022 annual fee is deemed fully earned on 1/1/2023 and Client agrees that such fee is for fees in lieu of commissions for the services described in Schedule A. Client further acknowledges and agrees that because such fee is in lieu of any commission Client will be paying a premium amount on the Schedule A insurance policies on a net of commission basis that takes into account that the insurance carrier is not paying a commission to IMA.

For the 2023 placements all efforts will be made to negotiate placements for the Schedule A insurance policies on a net of commission basis. If IMA is unable to negotiate placements on a net of commission basis, IMA will notify the Client and apply the amount of commission to the fee due hereunder to be set forth on the invoice statement.

2. Payment of all invoices submitted to the Client will be made pursuant to the invoice due date. In the event Client does not remit payment by the date stated in the invoice, IMA reserves the right to terminate this Agreement. Upon such termination, all further obligations of IMA are terminated automatically, and this Agreement is void and has no further force or effect.

3. It is understood that other benefit management or insurance services may be undertaken by IMA from time to time by mutual agreement of the parties. The parties agree to amend this Agreement as necessary to describe the additional services and compensation payable to IMA for such services.

CLIENT EDUCATION

WEBINARS

IMA webinars are held periodically and are accessible to IMA clients only. Recent topics have focused on IRS Final HCR Reporting Overview, Revisiting the Fundamentals of Employer Shared Responsibility, W-2 Reporting, Determining Full-time Employee Status, Individual and Employer Mandate and Penalties, 2022 Provisions and Preparations, and COVID-19.



Compliance WEBINAR

Into the Weeds on Real Benefits Questions
Thursday, October 25, 2018
2:00-3:30 Central (1:00-2:30 Mountain)

In the newest episode of this popular webinar we will review actual employee benefits compliance questions we have received and go over our answers in detail. We will discuss questions about ACA enforcement, the voluntary paid safe harbor, HSA eligibility, the tax treatment of discriminatory benefits, and more. Learn from real life compliance issues other employers have faced.

Even if you cannot attend on that date, feel free to register to automatically receive the recording. Please list IMA as the firm that invited you to this Assurance webinar.

[Register Here](#)

BENEFITS INNOVATION & INSIGHTS SUMMIT

Our Annual Benefits & Innovation Summit is a full-day event focused on learning, collaboration and sharing ideas with your peers on a variety of themes. We bring in industry experts to address an assortment of benefits, HR and total rewards related topics.



ALERTS & BULLETINS

IMA bulletins, alerts and legislative briefs are delivered to clients via email on a regular basis. 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. During 2021, our team sent over 100 guidance notifications, relating to topics such as: COVID, IRS Notices, DOL requirements and Medicare Part D Notices.



Compliance ALERT

IRS Updates on 2018 ACA Reporting and the 2018/2019 Paid FMLA Tax Credit

On September 24 the IRS published guidance on the Paid FMLA tax credit, then on October 1 the IRS published final ACA reporting forms and instructions. We provide links to those updates below.

2018 Instructions for Forms 1094-C and 1095-C

Department of the Treasury Internal Revenue Service





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.

