



January 1st, 2025 RENEWAL

**Town Of Mead
BRANCH AAJ5**



MEMORANDUM

TO: Town Of Mead
FROM: WTW
SUBJECT: CEBT January 1, 2025 Small Group Renewal

Enclosed you will find the CEBT Small Group rate and benefit renewal information for your review. **To complete the renewal process, please submit your renewal online by October 11th, 2024:**

You will certainly notice that the CEBT Small Group rate increase for January 1, 2025, is higher than it's been in many years at 13.5%. CEBT's Small Group Pool has outperformed the general health benefit industry for many years. Still, due to what appears to be a post-COVID increase in healthcare utilization coupled with higher inflation, this year's rate increase is about the same as that of the general health insurance marketplace. From a historical perspective, over the past 10 years, the rate increases for the Small Group Pool have ranged from 2% to 8% with an overall average of 5.1% which is well below the industry average not to mention 3 years with dividends from CEBT over that same 10-year period. We understand this year's rate increase will add more strain to an already tight 2025 budget, so feel free to contact your CEBT Account Manager or Producer if you want to discuss other plan options from CEBT. As explained below, enclosed in your renewal packet is a CEBT Plan Summary comparing basic benefits for each of CEBT's medical plan offerings and a Renewal Rate sheet showing the current and renewal rates for each plan. Following are further instructions about how to complete the CEBT renewal process.

Renew Online (New Portal Feature) For quick, and convenient acceptance of your renewal, please submit online through the CEBT Online Community Portal by clicking on the **"Ready to Renew"** button within the **Renewal** tab. You will be asked to confirm and attest that you have reviewed and agree to the rates and plans presented in the renewal packet. Upon attestation, you will be taken to a page to select your plans for next year's elections. If you wish to keep all the same plan offerings, you will indicate "No Changes" and complete your renewal. If you would like to change any plan offering, **please check the box next to all plans you intend to offer and/or uncheck any plans that you wish to remove for the next plan year.**

Within the renewal packet, the **Renewal Rate** sheet contains both current and renewal rates, along with the percentage increase for all CEBT plans available to you. Your group's current plan elections are highlighted in blue at the top of the page for reference.

The **CEBT Plan Summary** page provides a list of all plans available to you through CEBT, highlighting the benefits for each plan offering. Please review and refer to this page when making your renewal selections online in the Community portal. Please note that you may choose up to three medical plans.

The **CEBT Benefit & Administrative Changes** sheet outlines each of the plan changes that will take effect January 2025, as well as a reminder of recent plan changes. Please read this sheet carefully to ensure you have a full understanding of the changes taking place and communicate all necessary changes to all eligible employees.

Enclosed is a copy of WTW's Health & Benefits **Brokerage Terms, Conditions and Disclosures**. This document outlines the details of the relationship between your organization and WTW as your broker/consultant. This information does not need to be signed or returned, but please retain it for your files.

Open enrollment supplies are administered electronically through the Community portal under the **Resource Center** tab. This is where all enrollment-related documents (i.e. benefit summaries, program flyers, etc.) are housed with easy

accessibility. Once your renewal is **accepted electronically**, you will receive an email notifying you that your renewal has been processed, and enrollment documents are available. If you require printed supplies, please open a Support Case to place your supply request order via the "Request Supplies" link within the Resource Center.

We appreciate the opportunity to serve you, your employees, and their families. Although this year's rate increase is higher than normal, CEBT remains financially strong with fully funded reserves for run-out claims and the plan stabilization reserve. We look forward to receiving your renewal and continuing to offer the exceptional service you've come to expect from WTW and CEBT. If you have any questions or need more information about different plan designs, please contact your CEBT account representative at (303) 773-1373 or (800) 332-1168.

CEBT
JANUARY 2025 RATE RENEWAL

Medical Renewal

Projected for 12/31/2024	Claims	Contributions	Loss Ratio	L/R
5/31/2024	270,493,663	265,428,776		
Self-funded Claims >\$750k	(2,243,200)			
Less: Rx Rebates	(20,000,000)			
Self-Funded Plan Subtotal	248,250,463	265,428,776	93.5%	93.5%
Plus: Kaiser Plans 04/01/2023-3/31/2024	16,567,549	20,422,306	81.1%	92.6%
Kaiser Claims >\$750k	-			92.6%
Remove termed groups	(3,028,795)	(1,840,657)	164.5%	92.2%
Plus: IBNR for newer groups	1,789,722			92.8%
Plus: Cost of CEBT Health Centers	4,041,192			94.2%
Adjusted Loss ratio for active groups	267,620,131	284,010,425	94.2%	
Projected change through 12/31/2024			0.50%	
12/31/2024 Projected Adjusted Loss Ratio			94.7%	
Assumed Medical/Rx Trend	8.50%	X	1.085	
Plan Administration Expense	6.25%			
Stop Loss Premium	1.80%			
Add for PSR and IBNR deficiency	0.0%			
Total admin, SL and reserve load	8.05%	/	0.9195	
			111.78%	
Overall rate increase for CEBT			11.78%	

Adjustments to the rate increase

Other Revenue Sources	
Investment income of \$2,000,000	- 0.63
Benefit changes (none)	<u>0%</u>
	<u>11.15%</u>

Overall CEBT Rate Renewal	11.2%
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Medical Renewal Brackets

	<u>*Adjusted Loss Ratio</u>	<u>January 2025 Rate Adjustments</u>
1	77.99% or lower	5.50%
2	78% to 82.99%	7.50%
3	83% to 87.99%	8.50%
4	88% to 92.99%	9.50%
5	93% to 97.99%	13.50%
6	98% to 102.99%	18.50%
7	103% +	23.50%

*Adjusted Loss Ratio includes contributions and claims from CEBT Kaiser Plans, Health Center operating costs, stop loss claim credit and large claim credit, if any apply.

HRP – Remains at \$275.00 per month.

Dental and Vision Renewal

Renewal Brackets for January 2025

	<u>Loss ratio</u>	<u>Dental</u>	<u>Vision</u>
1	77.99% or lower	0.0%	0.0%
2	78% to 87.99%	0.0%	0.0%
3	88% to 92.99%	4.0%	0.0%
4	93% to 102.99%	8.0%	0.0%
5	103% +	12.0%	10.0%

Life Insurance Renewal

Group Term Life and AD&D – No rate change



CEBT Utilization Report

Small Group Pool

July 2023 to June 2024

MONTH	MEDICAL ENROLLMENT	CONTRIBUTIONS	PAID CLAIMS	RX CLAIMS	TOTAL PAID CLAIMS	LOSS RATIO	12 MONTH ROLLING LOSS RATIO
July 2023	2,568	\$ 2,972,194	\$ 3,435,590	\$ 513,045	\$ 3,948,634	132.9%	103.3%
August 2023	2,576	\$ 2,947,229	\$ 2,332,263	\$ 503,050	\$ 2,835,313	96.2%	103.2%
September 2023	2,580	\$ 2,957,904	\$ 2,968,093	\$ 554,818	\$ 3,522,911	119.1%	106.3%
October 2023	2,691	\$ 3,046,598	\$ 3,556,261	\$ 549,219	\$ 4,105,480	134.8%	109.4%
November 2023	2,650	\$ 3,026,284	\$ 2,118,932	\$ 636,130	\$ 2,755,063	91.0%	110.3%
December 2023	2,661	\$ 3,049,743	\$ 3,248,280	\$ 508,573	\$ 3,756,853	123.2%	112.1%
January 2024	2,652	\$ 3,188,912	\$ 3,150,400	\$ 558,748	\$ 3,709,147	116.3%	112.9%
February 2024	2,617	\$ 3,136,076	\$ 3,336,117	\$ 563,331	\$ 3,899,448	124.3%	115.8%
March 2024	2,616	\$ 3,141,620	\$ 2,810,083	\$ 538,533	\$ 3,348,617	106.6%	114.4%
April 2024	2,646	\$ 3,185,612	\$ 3,435,355	\$ 475,347	\$ 3,910,702	122.8%	116.0%
May 2024	2,651	\$ 3,171,417	\$ 2,191,785	\$ 515,450	\$ 2,707,234	85.4%	112.5%
June 2024	2,647	\$ 3,184,268	\$ 2,987,094	\$ 504,636	\$ 3,491,729	109.7%	113.5%
Grand Total		\$ 37,007,857	\$ 35,570,251	\$ 6,420,880	\$ 41,991,131	113.5%	
Total Claims > \$750k					(\$- 1,344,866)		
Net Total					\$ 40,646,265	109.8%	



CEBT Utilization Report

Small Group Pool

July 2023 to June 2024

COVERAGE	AVERAGE ENROLLMENT	CONTRIBUTIONS	PAID CLAIMS	RX CLAIMS	TOTAL PAID CLAIMS	LOSS RATIO	TOTAL CLAIMS > \$750K	NET LOSS RATIO
Medical								
PPO Select	13	\$ 166,363	\$ 55,527	\$ 20,992	\$ 76,519	46.0%	\$ 0	46.0%
PPO2	51	\$ 1,098,802	\$ 1,113,849	\$ 150,073	\$ 1,263,922	115.0%	\$ 0	115.0%
PPO3	208	\$ 3,292,142	\$ 3,475,886	\$ 623,455	\$ 4,099,342	124.5%	\$ 0	124.5%
PPO4	741	\$ 11,290,526	\$ 11,168,557	\$ 2,401,289	\$ 13,569,847	120.2%	\$ 0	120.2%
PPO5	300	\$ 4,046,377	\$ 3,984,222	\$ 894,686	\$ 4,878,908	120.6%	(\$- 190,854)	115.9%
PPO6	438	\$ 5,450,974	\$ 5,920,619	\$ 910,147	\$ 6,830,767	125.3%	\$ 0	125.3%
PPO7	235	\$ 2,497,457	\$ 1,521,923	\$ 305,713	\$ 1,827,636	73.2%	\$ 0	73.2%
PPO8	172	\$ 1,589,729	\$ 1,262,042	\$ 236,398	\$ 1,498,440	94.3%	\$ 0	94.3%
Total PPO	2,159	\$ 29,432,370	\$ 28,502,625	\$ 5,542,755	\$ 34,045,380	115.7%	(\$- 190,854)	115.0%
EPO3	67	\$ 1,205,426	\$ 953,039	\$ 87,249	\$ 1,040,288	86.3%	\$ 0	86.3%
EPO4	154	\$ 2,343,627	\$ 3,880,937	\$ 614,845	\$ 4,495,782	191.8%	(\$- 1,154,012)	142.6%
EPO5	28	\$ 353,098	\$ 144,837	\$ 26,563	\$ 171,400	48.5%	\$ 0	48.5%
EPO6	1	\$ 24,452	\$ 3,833	\$ 0	\$ 3,833	15.7%	\$ 0	15.7%
Total EPO	251	\$ 3,926,603	\$ 4,982,645	\$ 728,657	\$ 5,711,302	145.5%	(\$- 1,154,012)	116.1%
HD2800	17	\$ 185,213	\$ 164,251	\$ 11,907	\$ 176,158	95.1%	\$ 0	95.1%
HD3500	37	\$ 446,128	\$ 41,479	\$ 16,090	\$ 57,569	12.9%	\$ 0	12.9%
HDHP2	25	\$ 357,032	\$ 108,325	\$ 109,956	\$ 218,280	61.1%	\$ 0	61.1%
HDHP3	19	\$ 275,479	\$ 63,054	\$ 11,516	\$ 74,570	27.1%	\$ 0	27.1%
HDHP5	3	\$ 37,424	\$ 12,739	\$ 0	\$ 12,739	34.0%	\$ 0	34.0%
Total HD	100	\$ 1,301,276	\$ 389,848	\$ 149,468	\$ 539,316	41.4%	\$ 0	41.4%
HRP	119	\$ 384,725	\$ 2,327	\$ 0	\$ 2,327	0.6%	\$ 0	0.6%
Total Medical	2,630	\$ 35,044,974	\$ 33,877,446	\$ 6,420,880	\$ 40,298,326	115.0%	\$0	111.2%



CEBT Utilization Report

Small Group Pool

July 2023 to June 2024

COVERAGE	AVERAGE ENROLLMENT	CONTRIBUTIONS	TOTAL PAID CLAIMS	LOSS RATIO
Dental				
Dental A	1,446	\$ 1,185,540	\$ 1,032,485	87.1%
Dental B	621	\$ 392,204	\$ 380,949	97.1%
Dental C	173	\$ 98,295	\$ 87,500	89.0%
Total Dental	2,240	\$ 1,676,039	\$ 1,500,934	89.6%
Vision				
Vision A	347	\$ 37,020	\$ 29,002	78.3%
Vision B	947	\$ 122,298	\$ 89,445	73.1%
Vision C	790	\$ 127,527	\$ 73,425	57.6%
Total Vision	2,084	\$ 286,845	\$ 191,871	66.9%
Life				
EE Supp Life	226	\$ 60,526		
Life A	2,921	\$ 197,268		



CEBT Utilization Report

Kaiser Plans

Small Group Pool

Medical

May 2023 to April 2024

MONTH	MEDICAL ENROLLMENT	CONTRIBUTIONS	PAID CLAIMS	RX CLAIMS	TOTAL PAID CLAIMS	LOSS RATIO	12 MONTH ROLLING LOSS RATIO
May 2023	63	\$ 69,822	\$ 21,436	\$ 1,103	\$ 22,539	32.3%	48.3%
June 2023	66	\$ 72,517	\$ 23,797	\$ 1,546	\$ 25,343	34.9%	47.2%
July 2023	65	\$ 72,754	\$ 22,545	\$ 2,214	\$ 24,759	34.0%	46.2%
August 2023	64	\$ 72,000	\$ 55,277	\$ 3,013	\$ 58,291	81.0%	50.3%
September 2023	67	\$ 75,047	\$ 25,291	\$ 2,090	\$ 27,382	36.5%	44.3%
October 2023	68	\$ 74,391	\$ 26,911	\$ 3,358	\$ 30,269	40.7%	39.8%
November 2023	70	\$ 76,470	\$ 22,752	\$ 5,212	\$ 27,964	36.6%	40.1%
December 2023	89	\$ 95,669	\$ 23,140	\$ 473	\$ 23,613	24.7%	41.0%
January 2024	87	\$ 102,473	\$ 25,064	\$ 5,926	\$ 30,990	30.2%	38.1%
February 2024	88	\$ 104,348	\$ 48,541	\$ 703	\$ 49,244	47.2%	39.1%
March 2024	88	\$ 103,501	\$ 45,279	\$ 1,334	\$ 46,613	45.0%	39.7%
April 2024	90	\$ 107,373	\$ 45,421	\$ 1,541	\$ 46,962	43.7%	40.3%
Grand Total		\$ 1,026,365	\$ 385,456	\$ 28,513	\$ 413,969	40.3%	
Total Claims > \$750k					\$ 0		
Net Total					\$ 413,969	40.3%	



CEBT Utilization Report

Kaiser Plans

Small Group Pool

May 2023 to April 2024

COVERAGE	AVERAGE ENROLLMENT	CONTRIBUTIONS	PAID CLAIMS	RX CLAIMS	TOTAL PAID CLAIMS	LOSS RATIO	TOTAL CLAIMS > \$750K	NET LOSS RATIO
Kaiser								
KP-DHMO 1000	3	\$ 48,932	\$ 10,291	\$ 125	\$ 10,417	21.3%	\$ 0	21.3%
KP-DHMO 1500	5	\$ 61,294	\$ 30,849	\$ 713	\$ 31,562	51.5%	\$ 0	51.5%
KP-HDHP 2500	5	\$ 45,800	\$ 15,014	\$ 48	\$ 15,062	32.9%	\$ 0	32.9%
KP-HMO 40	16	\$ 265,821	\$ 90,639	\$ 17,458	\$ 108,097	40.7%	\$ 0	40.7%
KP-HMO 45	47	\$ 604,518	\$ 238,662	\$ 10,169	\$ 248,832	41.2%	\$ 0	41.2%
Total Kaiser	75	\$ 1,026,365	\$ 385,456	\$ 28,513	\$ 413,969	40.3%	\$ 0	40.3%

Town Of Mead

Renewal and Optional Monthly Rates Effective January 01, 2025

Current Plans: PPO4; KP-HMO 45; HRP; Dental A; Vision C; EE Supp Life; Life A; Dep Life A; Dep Supp Life; Spouse Supp Life; EAP Active

Current Network: United Choice Plus

Life Coverage: \$50k Base, \$125k Town Manager

		EE Only	EE +Spouse	EE + Child	EE +Children	EE +Family	Percent change
Medical (PPO2)	current	\$1,163	\$2,326	\$2,155	\$2,155	\$2,795	
(\$500 deductible)	renewal	\$1,320	\$2,640	\$2,446	\$2,446	\$3,172	13.50%
Medical (PPO3)	current	\$981	\$1,997	\$1,847	\$1,847	\$2,397	
(\$1,000 deductible)	renewal	\$1,113	\$2,267	\$2,096	\$2,096	\$2,721	13.50%
Medical (PPO4)	current	\$873	\$1,777	\$1,642	\$1,642	\$2,133	
(\$1,500 deductible)	renewal	\$991	\$2,017	\$1,864	\$1,864	\$2,421	13.50%
Medical (PPO5)	current	\$806	\$1,642	\$1,519	\$1,519	\$1,974	
(\$2,500 deductible)	renewal	\$915	\$1,864	\$1,724	\$1,724	\$2,240	13.50%
Medical (PPO6)	current	\$741	\$1,512	\$1,398	\$1,398	\$1,814	
(\$3,000 deductible)	renewal	\$841	\$1,716	\$1,587	\$1,587	\$2,059	13.50%
Medical (PPO7)	current	\$683	\$1,391	\$1,286	\$1,286	\$1,673	
(\$4,000 deductible)	renewal	\$775	\$1,579	\$1,460	\$1,460	\$1,899	13.50%
Medical (PPO8)	current	\$649	\$1,322	\$1,222	\$1,222	\$1,588	
(\$5,000 deductible)	renewal	\$737	\$1,500	\$1,387	\$1,387	\$1,802	13.50%
Medical (EPO3)	current	\$1,011	\$2,058	\$2,003	\$2,003	\$2,574	
(\$1,000 hospital copay)	renewal	\$1,147	\$2,336	\$2,273	\$2,273	\$2,921	13.50%
Medical (EPO4)	current	\$903	\$1,842	\$1,791	\$1,791	\$2,301	
(\$1,500 hospital copay)	renewal	\$1,025	\$2,091	\$2,033	\$2,033	\$2,612	13.50%
Medical (EPO5)	current	\$858	\$1,747	\$1,701	\$1,701	\$2,186	
(\$2,500 hospital copay)	renewal	\$974	\$1,983	\$1,931	\$1,931	\$2,481	13.50%
Medical (EPO6)	current	\$824	\$1,678	\$1,633	\$1,633	\$2,099	
(\$3,000 hospital copay)	renewal	\$935	\$1,905	\$1,853	\$1,853	\$2,382	13.50%
Medical (HDHP2)	current	\$811	\$1,658	\$1,531	\$1,531	\$1,991	
(\$2,000 deductible)	renewal	\$920	\$1,882	\$1,738	\$1,738	\$2,260	13.50%
Medical (HDHP25)	current	\$792	\$1,620	\$1,496	\$1,496	\$1,945	
(\$2,500 deductible)	renewal	\$899	\$1,839	\$1,698	\$1,698	\$2,208	13.50%
Medical (HD2800)	current	\$786	\$1,607	\$1,484	\$1,484	\$1,929	
(\$2,800 deductible)	renewal	\$892	\$1,824	\$1,684	\$1,684	\$2,189	13.50%
Medical (HDHP3)	current	\$774	\$1,583	\$1,461	\$1,461	\$1,899	
(\$3,000 deductible)	renewal	\$878	\$1,797	\$1,658	\$1,658	\$2,155	13.50%
Medical (HD3500)	current	\$732	\$1,494	\$1,380	\$1,380	\$1,794	
(\$3,500 deductible)	renewal	\$831	\$1,696	\$1,566	\$1,566	\$2,036	13.50%
Medical (HDHP4)	current	\$710	\$1,449	\$1,338	\$1,338	\$1,741	
(\$4,000 deductible)	renewal	\$806	\$1,645	\$1,519	\$1,519	\$1,976	13.50%

Medical (HDHP5) (\$5,000 deductible)	current	\$672	\$1,370	\$1,264	\$1,264	\$1,645	
	renewal	\$763	\$1,555	\$1,435	\$1,435	\$1,867	13.50%
Medical (KP-HMO 05) (\$250 hospital copay)	current	\$1,047	\$2,140	\$2,080	\$2,080	\$2,675	
	renewal	\$1,188	\$2,429	\$2,361	\$2,361	\$3,036	13.50%
Medical (KP-HMO 10) (\$500 hospital copay)	current	\$1,005	\$2,054	\$1,997	\$1,997	\$2,568	
	renewal	\$1,141	\$2,331	\$2,267	\$2,267	\$2,915	13.50%
Medical (KP-HMO 15) (\$750 hospital copay)	current	\$965	\$1,972	\$1,917	\$1,917	\$2,465	
	renewal	\$1,095	\$2,238	\$2,176	\$2,176	\$2,798	13.50%
Medical (KP-HMO 20) (\$750 hospital copay)	current	\$926	\$1,893	\$1,841	\$1,841	\$2,367	
	renewal	\$1,051	\$2,149	\$2,090	\$2,090	\$2,687	13.50%
Medical (KP-HMO 40) (\$1,000 hospital copay)	current	\$889	\$1,818	\$1,767	\$1,767	\$2,272	
	renewal	\$1,009	\$2,063	\$2,006	\$2,006	\$2,579	13.50%
Medical (KP-HMO 45) (\$1,500 hospital copay)	current	\$792	\$1,616	\$1,575	\$1,575	\$2,021	
	renewal	\$899	\$1,834	\$1,788	\$1,788	\$2,294	13.50%
Medical (KP-HMO 50) (\$2,000 hospital copay)	current	\$761	\$1,552	\$1,512	\$1,512	\$1,941	
	renewal	\$864	\$1,762	\$1,716	\$1,716	\$2,203	13.50%
Medical (KP-DHMO 750) (\$750 deductible)	current	\$921	\$1,872	\$1,826	\$1,826	\$2,342	
	renewal	\$1,045	\$2,125	\$2,073	\$2,073	\$2,658	13.50%
Medical (KP-DHMO 1000) (\$1,000 deductible)	current	\$863	\$1,760	\$1,716	\$1,716	\$2,201	
	renewal	\$980	\$1,998	\$1,948	\$1,948	\$2,498	13.50%
Medical (KP-DHMO 1500) (\$1,500 deductible)	current	\$770	\$1,566	\$1,527	\$1,527	\$1,957	
	renewal	\$874	\$1,777	\$1,733	\$1,733	\$2,221	13.50%
Medical (KP-DHMO 2500) (\$2,500 deductible)	current	\$714	\$1,456	\$1,418	\$1,418	\$1,823	
	renewal	\$810	\$1,653	\$1,609	\$1,609	\$2,069	13.50%
Medical (KP-HDHP 1600) (\$1,600 deductible)	current	\$731	\$1,488	\$1,450	\$1,450	\$1,862	
	renewal	\$830	\$1,689	\$1,646	\$1,646	\$2,113	13.50%
Medical (KP-HDHP 2500) (\$2,500 deductible)	current	\$679	\$1,383	\$1,347	\$1,347	\$1,731	
	renewal	\$771	\$1,570	\$1,529	\$1,529	\$1,965	13.50%
Dental Plan A (w/ortho) (\$2,000 annual max)	current	\$38	\$78	\$97	\$97	\$131	
	renewal	\$40	\$81	\$101	\$101	\$136	4.00%
Dental Plan B (w/ortho) (\$1,500 annual max)	current	\$31	\$64	\$87	\$87	\$118	
	renewal	\$32	\$67	\$90	\$90	\$123	4.00%
Dental Plan C (w/o ortho) (\$1,500 annual max)	current	\$31	\$63	\$64	\$64	\$97	
	renewal	\$32	\$66	\$67	\$67	\$101	4.00%
Vision Plan A (UMR)	current	\$5	\$11	\$12	\$12	\$15	
	renewal	\$5	\$11	\$12	\$12	\$15	0.00%
Vision Plan B (VSP) (12/12/24)	current	\$6	\$12	\$13	\$13	\$22	
	renewal	\$6	\$12	\$13	\$13	\$22	0.00%
Vision Plan C (VSP) (12/12/12)	current	\$7	\$14	\$16	\$16	\$26	
	renewal	\$7	\$14	\$16	\$16	\$26	0.00%

Employee Life Rate:0.14

(Per \$1,000 in Coverage)

Dependent Life Rate:0.95

(\$5,000/Spouse & \$2,000/Child)

CEBT PLAN SUMMARY
Town Of Mead

Current Plans Offered: PPO4; KP-HMO 45; HRP; Dental A; Vision C; EE Supp Life; Life A; Dep Life A; Dep Supp Life; Spouse Supp Life; EAP Active

Group Life Coverage: \$50k Base, \$125k Town Manager

Please renew by October 11th, 2024. This should be done in the CEBT Community Portal under the Renewal tab.

To begin your renewal, please select the **"Ready to Renew"** button and follow the steps outlined below:

- Accept the attestation which states that you have reviewed and accept the terms of the renewal as presented in the Renewal Packet.
- On the following page, you will see all available plans with your current plans checked. Please use the list of available plans outlined below as a reference when choosing your renewal plan selections.
- If you do not want to make changes to your plan offerings for the next renewal year, please select "No Plan Changes."
- If you do want to make plan changes, please ensure that all plans you wish to offer are checked. To do this you will uncheck any plans you intend to drop and check, or select, any plans you want to keep and/or add.
- You will then proceed to the signature section. Select the appropriate signer's name from the drop-down list. If you are signing on behalf of an approved signer, please select that person's name and then submit.
- Once submitted the renewal is complete and will be returned to WTW for processing.

OPEN ENROLLMENT

- Dates are determined by the employer group and should be held sometime between October and mid-November.
- To ensure ID cards are received on or before **January 1st, 2025**, enrollment changes should be returned to WTW no later than **November 15th, 2024.**
- Once your renewal has been submitted, open enrollment supplies will be updated online in the Resource Center of the CEBT Community portal.
- Printed Supplies will be sent on a request-only basis and can be done by clicking on the "Request Supplies" link in the Renewals tab or the Resource Center tab.

In accordance with your participation agreement, written notice of termination must be received by November 1st, 2024, or run-out claims will not be paid by CEBT.

*** For upcoming plan change, please refer to the CEBT Benefit & Administrative Changes Document**

MEDICAL PLAN	OFFICE CO-PAY (primary/specialist)	HOSPITAL CO-PAY	DEDUCTIBLE (single/family)	MAXIMUM OOP (single/family)
PPO Medical Plans (UMR)				
PPO2	\$30/\$30	N/A	\$500/\$1,000	\$2,000/\$4,000
PPO3	\$35/\$35	N/A	\$1,000/\$2,000	\$3,000/\$6,000
PPO4	\$40/\$40	N/A	\$1,500/\$3,000	\$4,000/\$8,000
PPO5	\$45/\$45	N/A	\$2,500/\$5,000	\$4,500/\$9,000
PPO6	\$50/\$50	N/A	\$3,000/\$6,000	\$5,000/\$10,000
PPO7	\$55/\$55	N/A	\$4,000/\$8,000	\$5,000/\$10,000
PPO8	\$55/\$55	N/A	\$5,000/\$10,000	\$5,000/\$10,000
EPO Medical Plans (UMR)				
EPO3	\$40/\$55	\$1,000	N/A	\$5,000/\$10,000
EPO4	\$45/\$60	\$1,500	N/A	\$5,500/\$11,000
EPO5	\$50/\$65	\$2,500	N/A	\$6,000/\$12,000
EPO6	\$55/\$70	\$3,000	N/A	\$6,500/\$13,000

High Deductible Health Plans (UMR)				
HDHP2	N/A	N/A	\$2,000/\$4,000 (Non-Embedded)	\$4,000/\$8,000
HDHP25	N/A	N/A	\$2,500/\$5,000 (Non-Embedded)	\$4,500/\$9,000
HD2800	N/A	N/A	\$2,800/\$5,600 (Non-Embedded)	\$5,000/\$10,000
HDHP3	N/A	N/A	\$3,000/\$6,000 (Non-Embedded)	\$5,000/\$10,000
HD3500	N/A	N/A	\$3,500/\$7,000	\$5,000/\$10,000
HDHP4	N/A	N/A	\$4,000/\$8,000	\$5,000/\$10,000
HDHP5	N/A	N/A	\$5,000/\$10,000	\$5,000/\$10,000
Kaiser Medical Plans				
KP-DHMO 0750	\$30/\$40	N/A	\$750/\$1,500	\$3,300/\$6,600
KP-DHMO 1000	\$35/\$35	N/A	\$1,000/\$2,000	\$3,500/\$7,000
KP-DHMO 1500	\$40/\$40	N/A	\$1,500/\$3,000	\$4,000/\$8,000
KP-DHMO 2500	\$40/\$40	N/A	\$2,500/\$5,000	\$4,500/\$9,000
KP-HDHP 1600	N/A	N/A	\$1,600/\$3,000 (Non-Embedded)	\$3,200/\$6,000
KP-HDHP 2500	N/A	N/A	\$2,500/\$5,000 (Non-Embedded)	\$3,000/\$6,000
KP-HMO 05	\$5/\$10	\$250	N/A	\$1,000/\$2,000
KP-HMO 10	\$10/\$20	\$500	N/A	\$1,500/\$3,000
KP-HMO 15	\$15/\$30	\$750	N/A	\$2,000/\$4,000
KP-HMO 20	\$20/\$40	\$750	N/A	\$3,000/\$6,000
KP-HMO 40	\$40/\$50	\$1,000	N/A	\$4,500/\$9,000
KP-HMO 45	\$45/\$60	\$1,500	N/A	\$5,000/\$10,000
KP-HMO 50	\$50/\$65	\$2,000	N/A	\$5,500/\$11,000
Dental Plans (Delta Dental of Colorado)				
Plan A \$2,000 annual benefit maximum, \$2,000 Ortho lifetime maximum (includes adult ortho)				
Plan B \$1,500 annual benefit maximum, \$1,500 Ortho lifetime maximum (child only)				
Plan C \$1,500 annual benefit maximum, No Ortho				

Vision Plans (UMR & VSP)	
Plan A	(UMR) 12/24/24 \$150 frames, no network
Plan B	(VSP) 12/12/24, \$160 frames, \$15 copay at VSP providers
Plan C	(VSP) 12/12/12, \$175 frames, \$10 copay at VSP providers
Life Insurance Plans (The Standard Insurance Company)	
Basic Group Life (Life A)	Volume \$20k min to \$450k max (Employer Paid)
Dependent Group Life (Dep Life A)	Volume \$5k Spouse, \$2k Child (Employer Paid)
Voluntary Life (Supp Life)	Volume \$500k max Employee, \$250k max Spouse, \$20k max Child

CEBT BENEFIT & ADMINISTRATIVE CHANGES
(Effective January 1, 2025)

CEBT & Kaiser Plans and Benefits

There will be no benefit or plan changes going into effect January 1, 2025

Reminders of CEBT Plan Changes Effective 7/1/2024

Updates to the prior-authorization requirements on PPO/HD and EPO plans will change 7/1/2024 as outlined below:

Remove Prior Authorization: CEBT PPO/HD & EPO Plans
Outpatient surgeries not performed in a Physician's office (except spinal surgery and implanted spinal and nerve stimulators)
Nuclear Medicine
Home Infusion therapy
Remove Prior Authorization: CEBT EPO Only Plans
Radiology services (CT, MRA, MRI, PET, Proton beam, SPECT)
Cardiac Rehabilitation
Dental anesthesia
EECP (a type of heart treatment)
Hyperbaric chamber
Liquid oxygen
Pulmonary rehabilitation
Air Ambulance
Defibrillators
Add Prior Authorization: CEBT PPO/HD Only Plans
Orthotics costing over \$500 or more
Pain Management Programs
Inpatient Sleep Studies
Any new service that may be considered experimental
Add Prior Authorization: CEBT EPO Only Plans
Prosthetics over \$1000 (already required on PPO/HD Plans)



Reminders of Kaiser Plan & Benefit Changes Effective 7/1/2024

KP-HDHP 1500 Plan deductible will increase from **\$1,500 (Individual) / \$3,000 (Family)** to **\$1,600 (Individual) / \$3,200 (Family)** due to IRS limit increases on HAS-qualified health plans.

Mental Health and Substance Use Disorder - Intensive Outpatient and Partial Hospitalization

- Cost share on the [DHMO](#) plan will be changing from 20% to no cost share.
- Cost share on the [HDHP](#) Plan will be changing from Deductible then 20% coinsurance to Deductible then no coinsurance.

Prevention of Substance Use Disorders [\(All Plans\)](#)

- For patients with a chronic pain diagnosis, the plan will include the following with a PCP cost share amount, which is in addition to the current physical therapy, occupational therapy, and chiropractic visits. *Acupuncture is not currently covered; therefore, the below visits would be allowed with a chronic pain diagnosis:
 - six (6) physical therapy visits,
 - six (6) occupational therapy visits,
 - six (6) chiropractic visits,
 - *six (6) acupuncture visits.

HRSA Women and Pediatric Preventive Service Guidelines – The following changes apply to [all plans](#):

- Screenings for pregnant women with risk factor of type 2 diabetes and gestational diabetes before 24 weeks of gestation will change from PCP cost share to no cost share.
- Diabetes screenings after pregnancy will change from PCP cost share to no cost share.
- Increasing the upper age limit for adolescent universal HIV screening from 12 to 21 years from PCP cost share to no cost share

Counseling, prevention, and screening for a sexually transmitted infection will change from PCP cost share to no cost share. [\(All Plans\)](#)





WILLIS TOWERS WATSON
EMPLOYEE BENEFIT TRUST COMMISSIONS

Below is a schedule of our commission compensation from your Employee Benefits Placement. *You may not have all the products listed.*

- CEBT Medical, Dental and Vision are based on the number of employees covered by the medical plan, according to the following scale. If no medical plan exists, the dental or vision plans will be used to determine the commission scale.

# OF COVERED EMPLOYEES	COMMISSION %
001 – 099	3.4 %
100 – 249	2.9 %
250 – 499	2.4 %
500 – 999	1.9 %
1,000 +	1.4 %

- CEBT Employer Paid life Insurance 3%
- CEBT Voluntary Life Insurance 5%
- Special District Association Disability program
Long & Short Term 9%
- CEBT Small Group Disability program commission is based on the following scale:

LONG TERM	
Annual Premium	
First \$15,000 (\$0 - \$15,000)	15 %
Next \$10,000 (\$15,001 - \$25,000)	10 %
Next \$25,000 (\$25,001 - \$50,000)	5 %
Amount over \$50,000	1 %
SHORT TERM	
Annual Premium	
First \$2,000 (\$0 - \$2,000)	15 %
Next \$8,000 (\$2,001 - \$10,000)	10 %
Next \$15,000 (\$10,001 - \$25,000)	6 %
Next \$25,000 (\$25,001 - \$50,000)	4 %
Next \$50,000 (\$50,001 - \$100,000)	2 %
Next \$150,000 (\$100,001 - \$250,000)	1 %
Amount over \$250,000	0.5 %

If you have any questions or concerns regarding our compensation, please don't hesitate to call us.



Health & Benefits Brokerage Terms, Conditions & Disclosures

Your decision to purchase insurance coverages, products, and/or services through a WTW company is subject to the following terms and conditions (the “**Brokerage Terms**”).

1. Brokerage Terms and Conditions

- 1.1. The services we provide to you will rely in significant part on the facts, information and direction provided by you or your authorized representatives. You must provide us with complete and accurate information regarding your loss experience, risk exposures, and changes in the analysis or scope of your risk exposures and any other information reasonably requested by us or insurers. It is important that you advise us of any changes in your business operations that may affect our services or your insurance coverages. Therefore, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your business, finalizing the terms to apply and/or the cost of cover, or deciding to pay a claim, must be disclosed. Failure to make full disclosure of material facts might potentially allow insurers to avoid liability for a particular claim or to void the policy. This duty of disclosure applies equally at renewal or modification of your existing coverage and upon placement of new lines of coverage. You agree that WTW will not be responsible for any consequences arising from any delayed, inaccurate or incomplete information.
- 1.2. An insurer quote is an offer to provide coverage. Offers can be modified or withdrawn prior to your acceptance through your order to bind coverage. The quote itself is not a legally binding commitment or a confirmation of actual coverage. Should you choose to bind coverage, we will secure a formal commitment typically in the form of a binder on a form issued or approved by the insurer(s) at issue. The quotes we will provide to you are based upon the information that you have provided to us. If you discover that previously submitted information is inaccurate or incomplete, please advise us immediately so that we can attempt to revalidate terms with insurers.
- 1.3. At the time of binding, we review the financial soundness of the insurers we recommend to provide your coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, we will provide you with our analysis of such insurers. We do not guarantee or warrant the solvency of any insurer or any intermediary that we may use to place your coverage.
- 1.4. If you have a multi-year policy, it is important that you understand the limitations associated with the coverage options and the possibility that the financial strength of the insurer may change throughout the term of the policy. We recommend that you review the insurer's ratings for any downgrades during the term of this multi-year policy.
- 1.5. The final decisions with respect to all matters relating to your insurance coverages, risk management, and loss control needs and activities are yours. We will procure the insurance coverage chosen by you, including the limits you choose, prepare or forward insurance binders, if applicable, and review and transmit policies to you.
- 1.6. We will review all binders, policies and endorsements to confirm their accuracy and conformity to negotiated specifications and your instructions and advise you of any errors in, or recommended changes to, such documents. You agree that you will also review all such documents and promptly advise us of any questions you have or of any document or provision which you believe may not be in accordance with your instructions as soon as possible, and in no event longer than two weeks, after you receive them. Your coverage is defined by the terms and conditions detailed in your insurance policies and endorsements. Your review of these documents, and any review you may seek from outside legal counsel or insurance consultants, is expected and essential.
- 1.7. You must timely and properly report all claims in accordance with your insurance policies. You agree that we are not responsible for reporting claims on your behalf. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, you should retain copies of all insurance policies and coverage documents as well as claims-reporting instructions after termination of the policies because in some cases you may need to report claims after termination of a policy.
- 1.8. Our compensation may be revised if you request a change in the coverages and/or services we provide under the SOW or these Brokerage Terms and we enter into a written agreement documenting any change in coverages, services and compensation. If we are compensated by commissions paid by insurers, we will be entitled to retain the commissions for new coverages, revised coverages, or other material change in coverages.



- 1.9. Unless otherwise agreed in writing, in the event of termination, we will be entitled to receive and retain any commissions payable under the terms of our commission agreements with the insurers in relation to policies placed by us, whether or not the commissions have been received by us.
- 1.10. Our obligation to render services to you ceases on: (a) the effective date of termination of the SOW, or (b) if you have not entered into a SOW, the earlier of: (i) 60 days prior written notice by either party terminating the services, or (ii) with respect to any coverage subject to these Brokerage Terms, the effective date of a change in your broker of record for that coverage (the **"Termination Date"**). Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance broker. Claims and premium or other adjustments may arise after the Termination Date, and we have no responsibility to handle these things after our relationship ends. Such items are normally handled by the insurance broker serving you at the time the claim or adjustment arises. However, we will consider providing such services after the Termination Date for mutually agreed additional compensation. Nevertheless, we will process all remaining deposit premium installments on the policy(ies) in effect on the Termination Date.
- 1.11. The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. If a conflict arises for which there is no practicable way of complying with this commitment, we will promptly inform you and withdraw from the engagement, unless you wish us to continue to provide the services and provide your written consent. Please let us know in writing if you have concerns or we will assume that you understand and consent to our providing our services pursuant to these Brokerage Terms.
- 1.12. If we are assisting you with stop loss coverage, you understand and agree that we are acting as an independent consultant/broker in assisting you with the placement of stop loss coverage. You further agree that our role is limited to assistance in resolution of broad issues or systemic disputes between you and your selected carrier relative to dissatisfaction with a carrier's products or services, including processing of claims, delayed payment of claims, missing/incorrect data feeds, and gaps or omissions between any final proposal document and implemented coverage. We are not able to provide an opinion on whether any particular complete or partial claim denial, is appropriate. Our role relative to any specific claim disputes would be limited to facilitation of a discussion between the stop loss carrier, medical/prescription drug administrator, and you to outline the issues and identify next steps and responsible parties. For avoidance of doubt, facilitation of specific claim disputes among the parties is not included in our services, unless specifically outlined in a separate statement of work and scope of services. If you would like us to perform that function, please let us know and we will work with you to determine the scope and fees for such work.

2. Brokerage Disclosures

- 2.1. If a WTW affiliate or office located outside of the United States or Canada serves as an intermediary in the placement of your coverages, it will also earn and retain compensation for providing those services which compensation may not be included in the fee.
- 2.2. To the extent WTW is compensated by commissions paid to us by insurers, they will be earned for the entire policy period at the time we place policies for you. We will be paid the commission percentage stated for the placement of your insurance as indicated and will receive the same commission percentage for all subsequent renewals of this policy unless a different commission percentage is disclosed to you, or unless the insurer changes its commission rates, in which case the new commission rate will be disclosed to you before placement of the policy.
- 2.3. The compensation that will be paid to WTW will vary based on the insurance contract it sells. Depending on the insurer and insurance contract you select, compensation may be paid by the insurer selling the insurance contract or by another third party. Such compensation may be contingent and may vary depending on a number of factors, including the insurance contract and insurer you select. In some cases, other factors such as the volume of business WTW provides to the insurer or the profitability of insurance contracts WTW provides to the insurer also may affect compensation. WTW may accept this compensation in locations where it is legally permissible and meets standards and controls to address conflicts of interest. Whether or how much insurers may pay in contingent compensation does not play any role in WTW's placement recommendations on behalf of its clients. WTW will decline to accept contingent compensation from an insurer if such compensation cannot be attributed or allocated by the insurer to a particular client. If you prefer that we not accept contingent compensation related to your policy, please notify us in writing and we will request that your insurer(s) exclude your business from their contingent payment calculations.
- 2.4. Upon request, WTW will provide you with additional information about the compensation WTW expects to receive based in whole or in part on your purchase of insurance, and (if applicable) the compensation expected to be received based in whole or in part on any alternative quotes presented to you.



- 2.5. WTW may place your insurance or other business with members of a panel of insurers or other vendors. WTW develops panels of insurers and vendors in certain market segments. Participating insurers and vendors are reviewed on a variety of factors. Commission or fee rates on panel placements may be higher than rates paid on business placed outside of the panel process. WTW discloses its commission rates to clients on quotes obtained through the panel process prior to binding the coverage. In some instances, insurers or vendors pay an administration or management fee to participate in the panel process or for additional reporting. In some instances, WTW may earn a referral fee for referring your business to certain vendors.
- 2.6. In some cases, the use of a wholesale broker may be beneficial to you. We will not directly or indirectly place or renew your insurance business through a wholesale broker unless we first disclose to you in writing any compensation we or our corporate parents, subsidiaries or affiliates will receive as a result. If wholesalers, underwriting managers or managing general agents have a role in providing insurance products and services to you, they will also earn and retain compensation for their role in providing those products and services. If any such parties are corporate parents, subsidiaries or affiliates of ours, any compensation we or our corporate parents, subsidiaries or affiliates will receive will be included in the total compensation we disclose to you. If such parties are not affiliated with us, and if you desire more information regarding the compensation those parties will receive, please contact us and we will assist you in obtaining this information.
- 2.7. Commission schedules and other compensation arrangements related to our services on your behalf may change over time and may not always be congruent with your specific policy period. WTW will provide you with accurate information to the best of our knowledge when information is presented to you, but it is possible that compensation arrangements may change over time. We will update you on any changes to our compensation prior to your renewal and will do so at any time upon your request.
- 2.8. As an insurance intermediary, we normally act for you. However, we or our corporate parents, subsidiaries or affiliates may also provide services to insurers for which we may earn compensation. These services may include, for example, acting as a managing general agent, program manager or in other similar capacities which give us binding authority enabling us to accept business on their behalf and immediately provide coverage for a risk or providing third party administration and other services to insurers. Contracts with these insurers may grant us certain rights or create certain obligations regarding the marketing of insurance by the insurers. When we place your insurance business in such a situation as we will receive compensation related to these services from an insurer, we will inform you and disclose that we may receive compensation. In addition, these services may include providing services to insurers as a client. For example, we or they may provide consulting, brokerage, outsourced administration or reinsurance services to insurer clients. In such cases we or they will be compensated, separately for the services provided to those insurer clients. Some of these insurer clients may happen to be insurers with whom we place your insurance coverages. The services provided to you and the services provided to our insurer clients are separate and any compensation earned for the services provided to insurer clients are separate from and in addition to the compensation we earn for the services we provide you under these Brokerage Terms.
- 2.9. We are members of a major international group of companies. In addition to the commissions received by us from insurers for placement of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by our corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to you under their separate contracts with insurers or reinsurers.
- 2.10. To comply with applicable anti-money laundering regulations there are times when we may ask clients to confirm (or reconfirm) their identity. We may need to do this at the time you become a client or have been one for some time or for example, when checking details on proposal forms and transferring claims payments. This information may be shared with other subsidiaries of WTW PLC and where we deem necessary with regulatory or law enforcement bodies. Please note that we are prohibited from disclosing to you any report we may make based on knowledge or suspicion of money laundering, including the fact that such a report has been made.

We have systems that protect our clients and ourselves against fraud and other crime and we may utilize the services of third parties in order to identify and verify clients. Client information can be used to prevent crime and trace those responsible. We may check your details against financial crime databanks. If false or inaccurate information is provided, we may be obliged to pass such details to relevant regulatory agencies that may use this information.

3. Disclosures only applicable in the United States.



- 3.1. The Consolidated Appropriations Act, 2021 (CAA) amends ERISA by requiring brokers and consultants to disclose both direct and indirect compensation received in relation to services provided to the group health plan. In general, direct compensation received by us is any fee you pay to us using plan assets and indirect compensation is generally any other compensation we receive in connection with our services to the plan as your broker or consultant. The description of our services and our compensation (direct, indirect, or other compensation) we receive in connection with the services we provide to you can be found in one or all of the following documents, as applicable to our arrangement: Master Services Agreement/Terms and Conditions, Statement(s) of Work, Brokerage Terms, Conditions and Disclosures Document, Additional Insurance Terms & Disclosure Document and/or a stand-alone Compensation Disclosure Document. For additional information regarding the above disclosure requirements, please see ERISA Section 408(b)(2)(B).
- 3.2. WTW and its employees may receive indirect compensation from plan vendors and service providers (such as insurers or third party administrators) that is not in connection with any particular client. This incidental compensation includes items such as promotional and holiday gifts, meals, tickets to a sporting or entertainment event, or expense reimbursement in connection with educational meetings, client workshops or events, or marketing or advertising initiatives, including services for identifying prospective clients. Plan vendors and service providers may also pay or reimburse WTW for the costs associated with education or training events that may be attended by WTW employees and WTW-sponsored conferences and events. Based upon historical data and on a per client basis, WTW estimates the value of the above compensation is less than \$100 per client annually.
- 3.3. If and to the extent that any portion of WTW's compensation is to be paid by or on behalf of any employee health or other welfare benefit plan ("Plan"), including commissions derived from Plan assets, then you will secure the approval of the applicable Plan fiduciaries for such portion of our compensation. You, and if applicable, the Plan fiduciaries, and not WTW, will determine whether any payment utilizing, or deriving from, Plan assets is appropriate. Based on historical market data, we estimate that our commissions may range from 0% to 20% of premium depending on lines of coverages selected, the insurer selected, and geographical location. Based on historical market data, we estimate that directed fees we may receive from insurers/third party administrators in connection with your self-funded plans may range between \$0 and \$10 per employee per month or between 0% and 5% of monthly fees. Refined estimates of the amounts we might earn as described in this paragraph will be discussed with you and disclosed to you prior to placement.
- 3.4. WTW will provide details concerning its charges to enable you, and if applicable, the Plan fiduciaries to make such determinations, but any information that WTW provides to you with its invoices or otherwise should not be construed as advice regarding the appropriate use of Plan assets. You, and if applicable, the Plan fiduciaries are encouraged to consult with legal counsel regarding such matters. Unless you tell us otherwise, in providing our services we will assume that the employee welfare benefits you provide to your employees and with respect to which we provide services have been wrapped into a single Plan. To the extent that you or your Plan enter into an administrative services only contract with a third party administrator pursuant to which WTW receives a directed fee, you represent that all administrative fees are paid by you out of your general assets and will not be charged to the Plan.
- 3.5. As further explained in section 3.3, we may receive contingent compensation in relation to our brokerage services we provide to you. Based on historical market data, we estimate that our contingent compensation may range from 0% to 5% of the total premium placed for all lines of coverage.
- 3.6. We may also receive additional compensation from certain carriers depending on the line of business that we place for you. This additional compensation is distinct from contingent compensation and is additional compensation we receive in addition to the standard commission rate offered by carriers based upon pre-negotiated commission rates with carriers at a corporate level or in connection with the services we provide to you in section 3.5. Based upon historical market data, our additional compensation may be between 0% and 6% of the premium placed on particular lines of coverage and the carrier you choose. The amount of this compensation, if applicable, will be discussed with you and disclosed to you prior to placement.
- 3.7. WTW is not being engaged as a fiduciary or to provide investment advice and does not and will not perform or assume any fiduciary or trust responsibilities or liability in connection with the performance of the services. You agree that the services to be performed by WTW under an applicable Statement of Work are ministerial and not fiduciary in nature, that WTW has no discretionary authority or control with respect to the management or administration of your employee benefit plan(s) or any Plan assets, that WTW is not providing any advice with respect to products that may have an investment component, and that WTW's compensation has not been set at levels intended to compensate it for assuming fiduciary liability. You retain full responsibility for decisions to purchase or not purchase insurance policies, all claims for benefits against the Plan and any other discretionary decisions by the Plan or any fiduciary, trustee, Plan administrator, or Plan committee.



- 3.8. You agree that any enrollment or census data provided to WTW will be provided by you in your role as an employer. You agree that you are responsible for your own access to and use of employee data, and that all persons whom you direct or request WTW to share employee data with are authorized to receive the employee data.
- 3.9. In the event that you and/or any of the employee benefit plans sponsored by you need to enter into business associate agreements with WTW to satisfy the requirements of the Health Insurance Portability and Accountability Act, the regulations implementing that Act (the "Standards for Privacy of Individually Identifiable Health Information," codified at 45 C.F.R. parts 160 and 164), or any other similar law, the parties will execute an agreement in compliance with these requirements.
- 3.10. If any of our affiliates or subcontractors receive compensation related to these services on a transaction basis as that term is defined in ERISA Section 408(b)(2)(B), we will identify the affiliate and/or subcontractor receiving such compensation. This Agreement or your agreement with that affiliate or subcontractor will detail the services those entities are providing to you and their compensation.
- 3.11. The Texas Department of Insurance maintains a toll-free telephone number (1-800-252-3439) which you may call if you have complaints regarding fees charged by any insurance producer. You also may contact the Texas Department of Insurance at ConsumerProtection@tdi.state.tx.us. The Texas Department of Insurance's website is www.tdi.state.tx.us and its mailing address is P.O. Box 149104, Austin, TX 78714-9104.

4. General Terms and Conditions

- 4.1. **Taxes.** Any fees or rates quoted or estimated shall be exclusive of income tax or of any sales, ad valorem, value added tax or any similar tax unless such tax is required to be included pursuant to a statutory requirement. If required, WTW will add the relevant tax to the invoice, separately stated, and remit such tax to the appropriate authority.

- 4.2. **Our Responsibilities.** We shall provide the Services in a professional manner with reasonable skill and care and in accordance with all laws and regulations applicable to us. We will assign to the project team, members of our staff with adequate education, training and experience to perform the tasks assigned to them. We will use reasonable endeavors to meet any agreed timetable.

The work product we produce in the course of providing the services (the "Work Product") will not infringe any intellectual property right of any third party. Unless otherwise expressly agreed in writing, we do not accept any fiduciary or trust responsibilities or related liability in connection with the performance of the Services. We do not provide legal, accounting or tax advice.

- 4.3. **Your Responsibilities.** You will provide us, in a timely manner, with all documentation, information, access to your personnel, access to your premises (if applicable) and cooperation reasonably required to provide the services. Any delay or failure to provide such documentation, information, access to your personnel or cooperation may result in: (a) a revision to any agreed timetable; and (b) if we are required to perform any additional work as a result, additional fees being charged. We will rely on the documentation and information provided by you or your representatives and we do not take responsibility for verifying the accuracy or completeness of it. You may rely only upon our final Work Product and not on any drafts or oral statements made by us in the course of performing the Services.

You represent that you are in compliance, and will continue to comply, with all laws, rules, regulations or government authority guidance applicable to you. If WTW determines that the services WTW performs for you relate to operations or activities prohibited by or inconsistent with any applicable law, rule, regulation or government authority guidance, it reserves the right to immediately terminate these Brokerage Terms in its entirety and/or decline to provide certain services.

- 4.4. **Intellectual Property Rights and Work Product.** You shall retain ownership of all original data and materials provided to us by you or your representatives, and the intellectual property rights in that data and materials. You will have the right to use, reproduce and adapt the copies of the Work Product for internal purposes within your organization. We shall retain the intellectual property rights in the Work Product, and the skills, know-how and methodologies used or acquired by us during the course of providing any of the services.

The services, including the Work Product, are provided solely for the intended purpose, and may not be referenced or distributed to any other party without our prior written consent. You may distribute the Work Product to your affiliates, provided that you ensure that each such affiliate complies with the terms and conditions of these Brokerage Terms and any applicable Statement of Work, as if it were a party to them, and you remain responsible for such compliance.



You shall not refer to us or include any of the Work Product in any shareholder communication or in any offering materials (or fairness opinion provided by your professional advisers) prepared in connection with the public offering or private placement of any security, unless otherwise agreed in writing.

- 4.5. **Confidentiality and Data Privacy.** Each Party (the “**Recipient**”) shall protect all confidential information which the other Party (the “**Discloser**”) provides to it (whether orally, in writing or in any other form) (“**Confidential Information**”) using the same standards as the Recipient applies to its own comparable confidential information, but in no event less than reasonable measures. Confidential Information shall not include information that is: (a) already known to the Recipient at the time of disclosure; (b) in the public domain or publicly available; (c) provided to it by a third party who is under no such obligation of confidentiality; (d) independently developed by it; or (e) is required to be disclosed by court order, regulatory authority or other legal process, provided that prior to disclosing any Confidential Information, the Recipient shall, if permitted by law, notify, and cooperate with the Discloser, at Discloser’s expense, to lawfully limit and/or obtain appropriate protective orders with respect to such portion(s) of the Confidential Information which is the subject of any such required disclosure. Each Party may disclose Confidential Information to its legal advisers to protect its own legitimate interests or to comply with any legal or regulatory requirements.

In the course of providing the services, the Parties acknowledge that you may provide us with information about an identifiable individual or information which relates to a natural person and allows that person to be identified, including your customer or employee information (“**Personal Data**”). It is further acknowledged that we are a global business and that we may transmit your information, including Personal Data within our global network of offices to our affiliates and providers of IT outsourcing who will be subject to appropriate data protection standards. You represent that Willis Towers Watson is authorized to receive and process any such Personal Data and that you have obtained any necessary consents from third parties, including the individual to whom such Personal Data relates, that may be required for us to use the Personal Data for the purpose of providing the Services. Irrespective of where we receive or hold Personal Data on your behalf, we will take appropriate technical, physical and organizational/administrative measures to protect it against accidental or unlawful destruction or accidental loss or unauthorized alteration, disclosure or access. Each Party shall comply with the provisions and obligations imposed on it by applicable data privacy legislation and regulations.

You agree that we may maintain, process and transfer your Confidential Information and Personal Data to perform the services, and for other reasonable ancillary purposes, unless you instruct otherwise. We may retain such information and data as may be required by applicable law, regulation, or our record retention and business continuity policies and procedures.

In addition, you hereby grant us permission to use data we receive from you or your representatives in the course of the services for use in industry benchmarking studies, trend analyses and research. We may use the results of these studies, analyses and research for various purposes, including articles and studies for distribution to our other clients and prospects. Any such articles or studies will not disclose your participation or mention the inclusion of your information to any other party. Any findings from these studies that may show individual participant results will be on a blinded basis, and not attribute any finding to a specific participant.

4.6. **Limitation of Liability.**

(a) If the services do not conform to the requirements agreed between the Parties, you shall notify us promptly and we shall re-perform any non-conforming services at no additional charge or, at our option, refund the portion of the fees paid with respect to such non-conforming Services. The re-performance of the Services or refund of the applicable fees is intended to provide an adequate remedy for any failure on our part to adhere to the requirements agreed between the Parties for the performance of services. Whether or not such re-performance or refund would provide an adequate remedy for any loss or damage suffered by you or any third party, the aggregate liability taken together of Willis Towers Watson, our affiliates and our and their respective employees, directors, officers, agents and subcontractors (“**Related Persons**”) arising from or in any way connected with the services, whether in contract, tort (including, without limitation, negligence), or for breach of statutory duty or otherwise, shall not exceed in aggregate the greater of (i) \$250,000 or (ii) the total amount of the fees paid to us for the services provided pursuant to that Statement of Work during any 12-month period beginning with the commencement of that Statement of Work, unless otherwise agreed in writing. Notwithstanding the above, the foregoing shall not limit the liability of Willis Towers Watson or the Related Persons in the case of: (i) death or personal injury resulting from our or our Related Person’s negligence; (ii) willful misconduct; (iii) fraud; or (iv) other liability to the extent that the same may not be excluded or limited as a matter of law.

(b) In no event shall we or any of our Related Persons or affiliates be liable for any incidental, special, punitive, or consequential damages of any kind (including, without limitation, loss of income, loss of profits, or other pecuniary loss), except to the extent such liability may not be excluded as a matter of law.



(c) Where we are jointly liable to you with another party, we shall to the extent permitted by law only be liable for those losses that correspond directly with our share of responsibility for the losses in question.

- 4.7. **Third Parties.** For the avoidance of doubt, section 4.6 confers rights on the Related Persons which may be enforced by any of them. Otherwise, no person who is not a party to these Brokerage Terms shall have the right to enforce any of these terms. We accept no responsibility for any consequences arising from any third party relying on the Work Product. If we agree to provide the Work Product to a third party, you are responsible for ensuring that the third party is made aware of the fact that they are not entitled to rely upon it. You agree to reimburse us for all costs (including reasonable legal fees) that we incur in responding to any requests or demands from third parties, pursuant to legal process or otherwise, for data or information related to the services.
- 4.8. **Termination.** Except as may otherwise be agreed in an applicable Statement of Work or other written agreement, either Party may terminate these Brokerage Terms or any Statement of Work on 30 days' written notice to the other Party. We shall be entitled to be paid for services rendered up to the effective date of any such termination, and for expenses incurred. Any provision of these Brokerage Terms or any Statement of Work that would be reasonably intended to apply after termination will do so, including sections 4.4, 4.5, 4.6, 4.7, 4.12, and 4.13.
- 4.9. **Force Majeure.** Neither Party shall be liable for any delay or non-performance of its obligations arising under any Statement of Work caused by an event beyond its control (a "**Force Majeure Event**") provided that the Party affected gives prompt notice in writing to the other Party of such Force Majeure Event and uses all reasonable endeavors to continue to perform its obligations. Either Party may terminate any Statement of Work by written notice to the other with immediate effect if such Force Majeure Event continues for more than 3 months.
- 4.10. **Miscellaneous.** In respect of each project, these Brokerage Terms, together with the applicable Statement of Work, sets out the complete and exclusive statement of agreement and understanding between the Parties, which supersedes and excludes all prior or contemporaneous proposals, understandings, agreements or representations, whether oral or written, with respect to the subject matter of the Statement of Work in question. Any modifications of or amendments to these Brokerage Terms or a Statement of Work or a change to the services must be in writing and agreed by the Parties. Should any provisions of these Brokerage Terms or any provisions of a Statement of Work be declared void, illegal or otherwise unenforceable, the remainder shall survive unaffected.

Neither Party may assign or delegate any of its rights or obligations to any third party without the prior written consent of the other Party. Notwithstanding the foregoing, either Party may assign or delegate any of its rights and obligations to an affiliate. We reserve the right to employ subcontractors to assist in providing Services and to pass to them any information and materials they need to perform their work. Where we use affiliates or subcontractors to provide the Services, we will remain ultimately responsible for the provision of the Services.

Neither Party shall have any liability in respect of any statement (except in the case of fraud where the liability of each Party to the other shall be unlimited) made by such Party or on its behalf to the other Party which is not contained in these Brokerage Terms or in the applicable Statement of Work and each Party acknowledges that it has not entered into these Brokerage Terms or any Statement of Work, or will enter into a Statement of Work, in reliance on any representation by the other Party which is not contained in these Brokerage Terms or the applicable Statement of Work.

We do not tolerate unethical behavior either in our own activities or in those with whom we seek to do business. We will comply with applicable laws, regulations, and rules.

- 4.11. **Sanctions and Export Control.** Sanctions and export control laws from Canada, the EU, United States, and other government authorities prohibit companies, including WTW, from conducting business in certain jurisdictions or with certain individuals. The restrictions may differ based on your business activity, ownership structure, and the location or nationality of your employees. Please inform us of any insurance or service requirements you have which touch upon goods, countries, entities or individuals subject to any sanctions or export controls. We will comply with all applicable sanctions and export control laws, and we are not responsible for actions taken by third parties based on their own sanctions or export control constraints.
- 4.12. **Dispute Resolution.** The parties agree to work in good faith to resolve any disputes arising out of or in connection with the services provided under these Brokerage Terms. If a dispute cannot be resolved it will be submitted to non-binding mediation to be conducted by (in the US) Judicial Arbitration and Mediation Services (JAMS) or (in Canada) the National Mediation Rules of the ADR Institute of Canada then in force before either party pursues other remedies hereunder. If the mediation does not resolve the dispute and a party or both parties wish to pursue other remedies, the parties agree that their legal dispute will be resolved



without a jury trial and agree not to request or demand a jury trial. To the fullest extent permitted by applicable law, the parties hereby irrevocably waive any right they may have to demand a jury trial.

To the extent the foregoing jury trial waiver is not enforceable under the governing law, except as provided below, any dispute arising out of or in connection with these Brokerage Terms which the parties are unable to resolve between themselves or through mediation as provided above, will be resolved by binding arbitration in the state or province as provided for in Section 4.13 below, or other mutually agreed location, before a panel of three arbitrators in accordance with the (in the US) Commercial Arbitration Rules of the American Arbitration Association or (in Canada) the Canadian Arbitration Rules of the ICDR Canada. Under these circumstances, the arbitration proceeding will be the sole and exclusive means for resolving any dispute between the parties, except for any dispute involving the ownership or use of work product or intellectual property, provided that either party may seek an injunction or other equitable relief if such action is necessary to avoid irreparable damage or to preserve the status quo. Each party will have the right to select one of the arbitrators and the two arbitrators so selected will agree on the choice of the third arbitrator. Each party will bear the expenses of the arbitrator it selects and one-half of the expenses of the third arbitrator and other costs related to the arbitration. Judgment on the award rendered by the arbitrators will be final and binding and may be entered in any court having jurisdiction thereof. The arbitration proceeding will be confidential.

- 4.13. **Governing Law.** Any controversy, dispute or claim of any kind between the parties will be governed by and interpreted in accordance with the laws of the jurisdiction where the Willis Towers Watson office principally responsible for providing the services to you under the particular Statement of Work is located, without regard to any provisions governing conflicts of laws; provided that if such office is located outside of Canada or the US, the governing law will be that of (in the US) the State of New York or (in Canada) the Province of Ontario without regard to (as applicable) New York's or Ontario's provisions governing conflicts of laws.

5. Disclosures only applicable in Canada.

- 5.1. It is the express wish of the parties that these Brokerage Terms and any related documents be drawn up in and executed in English. Les parties souhaitent expressément que cette entente et tous les documents s'y rapportant soient rédigés et signés en anglais.

6. Inquiries and Complaints

- 6.1. Your satisfaction is important to us. If you have questions or complaints, please inform the person who handles your business or contact the head of our office. Alternatively, you may call toll free 1-866-704-5115.