

AGREEMENT

35012

1 THIS AGREEMENT is made and entered, in duplicate, as of June 27, 2018,
2
3 for reference purposes only, pursuant to a minute order adopted by the City Council of the
4 City of Long Beach at its meeting on June 19, 2018, by and between ALLIANT
5 INSURANCE SERVICES, INC., a Delaware corporation ("Consultant"), with a place of
6 business at 1301 Dove Street, Suite 200, Newport Beach, California 92660, and the CITY
7 OF LONG BEACH, a municipal corporation ("City").
8

9 WHEREAS, City requires specialized services requiring unique skills to be
10 performed in connection with healthcare, employee benefits consulting, and actuarial
11 services ("Project"); and

12 WHEREAS, City has selected Consultant in accordance with City's
13 administrative procedures and City has determined that Consultant and its employees are
14 qualified, licensed, if so required, and experienced in performing these specialized
15 services; and

16 WHEREAS, City desires to have Consultant perform these specialized
17 services, and Consultant is willing and able to do so on the terms and conditions in this
18 Agreement;

19 NOW, THEREFORE, in consideration of the mutual terms, covenants, and
20 conditions in this Agreement, the parties agree as follows:

21 1. SCOPE OF WORK OR SERVICES.

22 A. Consultant shall furnish specialized services more particularly
23 described in Exhibit "A", attached to this Agreement and incorporated by this
24 reference, in accordance with the standards of the profession, and City shall pay for
25 these services in the manner described below, not to exceed an annual amount of
26 Three Hundred Fifty Thousand Dollars (\$350,000), at the rates or charges shown in
27 Exhibit "B".

28 B. The City's obligation to pay the sum stated above for any one

1 fiscal year shall be contingent upon the City Council of the City appropriating the
2 necessary funds for such payment by the City in each fiscal year during the term of
3 this Agreement. For the purposes of this Section, a fiscal year commences on
4 October 1 of the year and continues through September 30 of the following year. In
5 the event that the City Council of the City fails to appropriate the necessary funds
6 for any fiscal year, then, and in that event, the Agreement will terminate at no
7 additional cost or obligation to the City.

8 C. Consultant may select the time and place of performance for
9 these services; provided, however, that access to City documents, records and the
10 like, if needed by Consultant, shall be available only during City's normal business
11 hours and provided that milestones for performance, if any, are met.

12 D. Consultant has requested to receive regular payments. City
13 shall pay Consultant in due course of payments following receipt from Consultant
14 and approval by City of invoices showing the services or task performed, the time
15 expended (if billing is hourly), and the name of the Project. Consultant shall certify
16 on the invoices that Consultant has performed the services in full conformance with
17 this Agreement and is entitled to receive payment. Each invoice shall be
18 accompanied by a progress report indicating the progress to date of services
19 performed and covered by the invoice, including a brief statement of any Project
20 problems and potential causes of delay in performance, and listing those services
21 that are projected for performance by Consultant during the next invoice cycle.
22 Where billing is done and payment is made on an hourly basis, the parties
23 acknowledge that this arrangement is either customary practice for Consultant's
24 profession, industry or business, or is necessary to satisfy audit and legal
25 requirements which may arise due to the fact that City is a municipality.

26 E. Consultant represents that Consultant has obtained all
27 necessary information on conditions and circumstances that may affect its
28 performance and has conducted site visits, if necessary.

1 F. CAUTION: Consultant shall not begin work until this
2 Agreement has been signed by both parties and until Consultant's evidence of
3 insurance has been delivered to and approved by City.

4 2. TERM. The term of this Agreement shall commence at midnight on
5 July 1, 2018, and shall terminate at 11:59 p.m. on June 30, 2021, unless sooner terminated
6 as provided in this Agreement, or unless the services or the Project is completed sooner.
7 The term may be extended for three (3) consecutive one-year periods, at the discretion of
8 the City Manager.

9 3. COORDINATION AND ORGANIZATION.

10 A. Consultant shall coordinate its performance with City's
11 representative, if any, named in Exhibit "C", attached to this Agreement and
12 incorporated by this reference. Consultant shall advise and inform City's
13 representative of the work in progress on the Project in sufficient detail so as to
14 assist City's representative in making presentations and in holding meetings on the
15 Project. City shall furnish to Consultant information or materials, if any, described
16 in Exhibit "D", attached to this Agreement and incorporated by this reference, and
17 shall perform any other tasks described in the Exhibit.

18 B. The parties acknowledge that a substantial inducement to City
19 for entering this Agreement was and is the reputation and skill of Consultant's key
20 employee, named in Exhibit "E" attached to this Agreement and incorporated by this
21 reference. City shall have the right to approve any person proposed by Consultant
22 to replace that key employee.

23 4. INDEPENDENT CONTRACTOR. In performing its services,
24 Consultant is and shall act as an independent contractor and not an employee,
25 representative or agent of City. Consultant shall have control of Consultant's work and the
26 manner in which it is performed. Consultant shall be free to contract for similar services to
27 be performed for others during this Agreement; provided, however, that Consultant acts in
28 accordance with Section 9 and Section 11 of this Agreement. Consultant acknowledges

1 and agrees that (a) City will not withhold taxes of any kind from Consultant's compensation;
2 (b) City will not secure workers' compensation or pay unemployment insurance to, for or
3 on Consultant's behalf; and (c) City will not provide and Consultant is not entitled to any of
4 the usual and customary rights, benefits or privileges of City employees. Consultant
5 expressly warrants that neither Consultant nor any of Consultant's employees or agents
6 shall represent themselves to be employees or agents of City.

7 5. INSURANCE.

8 A. As a condition precedent to the effectiveness of this
9 Agreement, Consultant shall procure and maintain, at Consultant's expense for the
10 duration of this Agreement, from insurance companies that are admitted to write
11 insurance in California and have ratings of or equivalent to A:V by A.M. Best
12 Company or from authorized non-admitted insurance companies subject to Section
13 1763 of the California Insurance Code and that have ratings of or equivalent to A:VIII
14 by A.M. Best Company, the following insurance:

15 i. Commercial general liability insurance (equivalent in
16 scope to ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not less
17 than \$1,000,000 per each occurrence and \$2,000,000 general aggregate.
18 This coverage shall include but not be limited to broad form contractual
19 liability, cross liability, independent contractors liability, and products and
20 completed operations liability. City, its boards and commissions, and their
21 officials, employees and agents shall be named as additional insureds by
22 endorsement (on City's endorsement form or on an endorsement equivalent
23 in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85 or both CG 20 10
24 07 04 and CG 20 37 07 04 or both CG 20 33 07 04 and CG 20 37 07 04),
25 and this insurance shall contain no special limitations on the scope of
26 protection given to City, its boards and commissions, and their officials,
27 employees and agents. This policy shall be endorsed to state that the insurer
28 waives its right of subrogation against City, its boards and commissions, and

1 their officials, employees and agents.

2 ii. Workers' Compensation insurance as required by the
3 California Labor Code and employer's liability insurance in an amount not
4 less than \$1,000,000. This policy shall be endorsed to state that the insurer
5 waives its right of subrogation against City, its boards and commissions, and
6 their officials, employees and agents.

7 iii. Professional liability or errors and omissions insurance
8 in an amount not less than \$1,000,000 per claim.

9 iv. Commercial automobile liability insurance (equivalent in
10 scope to ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto) in
11 an amount not less than \$500,000 combined single limit per accident.

12 B. Any self-insurance program, self-insured retention, or
13 deductible must be separately approved in writing by City's Risk Manager or
14 designee and shall protect City, its officials, employees and agents in the same
15 manner and to the same extent as they would have been protected had the policy
16 or policies not contained retention or deductible provisions.

17 C. Each insurance policy shall be endorsed to state that coverage
18 shall not be reduced, non-renewed or canceled except after thirty (30) days prior
19 written notice to City, shall be primary and not contributing to any other insurance
20 or self-insurance maintained by City, and shall be endorsed to state that coverage
21 maintained by City shall be excess to and shall not contribute to insurance or self-
22 insurance maintained by Consultant. Consultant shall notify City in writing within
23 five (5) days after any insurance has been voided by the insurer or cancelled by the
24 insured.

25 D. If this coverage is written on a "claims made" basis, it must
26 provide for an extended reporting period of not less than one hundred eighty (180)
27 days, commencing on the date this Agreement expires or is terminated, unless
28 Consultant guarantees that Consultant will provide to City evidence of uninterrupted,

1 continuing coverage for a period of not less than three (3) years, commencing on
2 the date this Agreement expires or is terminated.

3 E. Consultant shall require that all subconsultants or contractors
4 that Consultant uses in the performance of these services maintain insurance in
5 compliance with this Section unless otherwise agreed in writing by City's Risk
6 Manager or designee.

7 F. Prior to the start of performance, Consultant shall deliver to City
8 certificates of insurance and the endorsements for approval as to sufficiency and
9 form. In addition, Consultant shall, within thirty (30) days prior to expiration of the
10 insurance, furnish to City certificates of insurance and endorsements evidencing
11 renewal of the insurance. City reserves the right to require complete certified copies
12 of all policies of Consultant and Consultant's subconsultants and contractors, at any
13 time. Consultant shall make available to City's Risk Manager or designee all books,
14 records and other information relating to this insurance, during normal business
15 hours.

16 G. Any modification or waiver of these insurance requirements
17 shall only be made with the approval of City's Risk Manager or designee. Not more
18 frequently than once a year, City's Risk Manager or designee may require that
19 Consultant, Consultant's subconsultants and contractors change the amount, scope
20 or types of coverages required in this Section if, in his or her sole opinion, the
21 amount, scope or types of coverages are not adequate.

22 H. The procuring or existence of insurance shall not be construed
23 or deemed as a limitation on liability relating to Consultant's performance or as full
24 performance of or compliance with the indemnification provisions of this Agreement.

25 6. ASSIGNMENT AND SUBCONTRACTING. This Agreement
26 contemplates the personal services of Consultant and Consultant's employees, and the
27 parties acknowledge that a substantial inducement to City for entering this Agreement was
28 and is the professional reputation and competence of Consultant and Consultant's

1 employees. Consultant shall not assign its rights or delegate its duties under this
2 Agreement, or any interest in this Agreement, or any portion of it, without the prior approval
3 of City, except that Consultant may with the prior approval of the City Manager of City,
4 assign any moneys due or to become due Consultant under this Agreement. Any
5 attempted assignment or delegation shall be void, and any assignee or delegate shall
6 acquire no right or interest by reason of an attempted assignment or delegation.
7 Furthermore, Consultant shall not subcontract any portion of its performance without the
8 prior approval of the City Manager or designee, or substitute an approved subconsultant
9 or contractor without approval prior to the substitution. Nothing stated in this Section shall
10 prevent Consultant from employing as many employees as Consultant deems necessary
11 for performance of this Agreement.

12 7. CONFLICT OF INTEREST. Consultant, by executing this Agreement,
13 certifies that, at the time Consultant executes this Agreement and for its duration,
14 Consultant does not and will not perform services for any other client which would create
15 a conflict, whether monetary or otherwise, as between the interests of City and the interests
16 of that other client. Consultant further certifies that Consultant does not now have and shall
17 not acquire any interest, direct or indirect, in the area covered by this Agreement or any
18 other source of income, interest in real property or investment which would be affected in
19 any manner or degree by the performance of Consultant's services hereunder. And,
20 Consultant shall obtain similar certifications from Consultant's employees, subconsultants
21 and contractors.

22 8. MATERIALS. Consultant shall furnish all labor and supervision,
23 supplies, materials, tools, machinery, equipment, appliances, transportation and services
24 necessary to or used in the performance of Consultant's obligations under this Agreement,
25 except as stated in Exhibit "D".

26 9. OWNERSHIP OF DATA. All materials, information and data
27 prepared, developed or assembled by Consultant or furnished to Consultant in connection
28 with this Agreement, including but not limited to documents, estimates, calculations,

1 studies, maps, graphs, charts, computer disks, computer source documentation, samples,
2 models, reports, summaries, drawings, designs, notes, plans, information, material and
3 memorandum ("Data") shall be the exclusive property of City. Data shall be given to City,
4 and City shall have the unrestricted right to use and disclose the Data in any manner and
5 for any purpose without payment of further compensation to Consultant. Copies of Data
6 may be retained by Consultant but Consultant warrants that Data shall not be made
7 available to any person or entity for use without the prior approval of City. This warranty
8 shall survive termination of this Agreement for five (5) years.

9 10. TERMINATION. Either party shall have the right to terminate this
10 Agreement for any reason or no reason at any time by giving fifteen (15) calendar days
11 prior written notice to the other party. In the event of termination under this Section, City
12 shall pay Consultant for services satisfactorily performed and costs incurred up to the
13 effective date of termination for which Consultant has not been previously paid. The
14 procedures for payment in Section 1.B. with regard to invoices shall apply. On the effective
15 date of termination, Consultant shall deliver to City all Data developed or accumulated in
16 the performance of this Agreement, whether in draft or final form, or in process. And,
17 Consultant acknowledges and agrees that City's obligation to make final payment is
18 conditioned on Consultant's delivery of the Data to City.

19 11. CONFIDENTIALITY. Consultant shall keep all Data confidential and
20 shall not disclose the Data or use the Data directly or indirectly, other than in the course of
21 performing its services, during the term of this Agreement and for five (5) years following
22 expiration or termination of this Agreement. In addition, Consultant shall keep confidential
23 all information, whether written, oral or visual, obtained by any means whatsoever in the
24 course of performing its services for the same period of time. Consultant shall not disclose
25 any or all of the Data to any third party, or use it for Consultant's own benefit or the benefit
26 of others except for the purpose of this Agreement.

27 12. BREACH OF CONFIDENTIALITY. Consultant shall not be liable for
28 a breach of confidentiality with respect to Data that: (a) Consultant demonstrates

1 Consultant knew prior to the time City disclosed it; or (b) is or becomes publicly available
2 without breach of this Agreement by Consultant; or (c) a third party who has a right to
3 disclose does so to Consultant without restrictions on further disclosure; or (d) must be
4 disclosed pursuant to subpoena or court order.

5 13. ADDITIONAL COSTS AND REDESIGN.

6 A. Any costs incurred by City due to Consultant's failure to meet
7 the standards required by the scope of work or Consultant's failure to perform fully
8 the tasks described in the scope of work which, in either case, causes City to request
9 that Consultant perform again all or part of the Scope of Work shall be at the sole
10 cost of Consultant and City shall not pay any additional compensation to Consultant
11 for its re-performance.

12 B. If the Project involves construction and the scope of work
13 requires Consultant to prepare plans and specifications with an estimate of the cost
14 of construction, then Consultant may be required to modify the plans and
15 specifications, any construction documents relating to the plans and specifications,
16 and Consultant's estimate, at no cost to City, when the lowest bid for construction
17 received by City exceeds by more than ten percent (10%) Consultant's estimate.
18 This modification shall be submitted in a timely fashion to allow City to receive new
19 bids within four (4) months after the date on which the original plans and
20 specifications were submitted by Consultant.

21 14. AMENDMENT. This Agreement, including all Exhibits, shall not be
22 amended, nor any provision or breach waived, except in writing signed by the parties which
23 expressly refers to this Agreement.

24 15. LAW. This Agreement shall be construed in accordance with the laws
25 of the State of California, and the venue for any legal actions brought by any party with
26 respect to this Agreement shall be the County of Los Angeles, State of California for state
27 actions and the Central District of California for any federal actions. Consultant shall cause
28 all work performed in connection with construction of the Project to be performed in

1 compliance with (1) all applicable laws, ordinances, rules and regulations of federal, state,
2 county or municipal governments or agencies (including, without limitation, all applicable
3 federal and state labor standards, including the prevailing wage provisions of sections 1770
4 *et seq.* of the California Labor Code); and (2) all directions, rules and regulations of any fire
5 marshal, health officer, building inspector, or other officer of every governmental agency
6 now having or hereafter acquiring jurisdiction.

7 16. PREVAILING WAGES.

8 A. Consultant agrees that all public work (as defined in California
9 Labor Code section 1720) performed pursuant to this Agreement (the "Public
10 Work"), if any, shall comply with the requirements of California Labor Code sections
11 1770 *et seq.* City makes no representation or statement that the Project, or any
12 portion thereof, is or is not a "public work" as defined in California Labor Code
13 section 1720.

14 B. In all bid specifications, contracts and subcontracts for any
15 such Public Work, Consultant shall obtain the general prevailing rate of per diem
16 wages and the general prevailing rate for holiday and overtime work in this locality
17 for each craft, classification or type of worker needed to perform the Public Work,
18 and shall include such rates in the bid specifications, contract or subcontract. Such
19 bid specifications, contract or subcontract must contain the following provision: "It
20 shall be mandatory for the contractor to pay not less than the said prevailing rate of
21 wages to all workers employed by the contractor in the execution of this contract.
22 The contractor expressly agrees to comply with the penalty provisions of California
23 Labor Code section 1775 and the payroll record keeping requirements of California
24 Labor Code section 1771."

25 17. ENTIRE AGREEMENT. This Agreement, including all Exhibits,
26 constitutes the entire understanding between the parties and supersedes all other
27 agreements, oral or written, with respect to the subject matter in this Agreement.

28 18. INDEMNITY.

1 A. Consultant shall indemnify, protect and hold harmless City, its
2 Boards, Commissions, and their officials, employees and agents ("Indemnified
3 Parties"), from and against any and all liability, claims, demands, damage, loss,
4 obligations, causes of action, proceedings, awards, fines, judgments, penalties,
5 costs and expenses, arising or alleged to have arisen, in whole or in part, out of or
6 in connection with (1) Consultant's breach or failure to comply with any of its
7 obligations contained in this Agreement, including any obligations arising from the
8 Project's compliance with or failure to comply with applicable laws, including all
9 applicable federal and state labor requirements including, without limitation, the
10 requirements of California Labor Code section 1770 *et seq.* or (2) negligent or willful
11 acts, errors, omissions or misrepresentations committed by Consultant, its officers,
12 employees, agents, subcontractors, or anyone under Consultant's control, in the
13 performance of work or services under this Agreement (collectively "Claims" or
14 individually "Claim").

15 B. In addition to Consultant's duty to indemnify, Consultant shall
16 have a separate and wholly independent duty to defend Indemnified Parties at
17 Consultant's expense by legal counsel approved by City, from and against all
18 Claims, and shall continue this defense until the Claims are resolved, whether by
19 settlement, judgment or otherwise. No finding or judgment of negligence, fault,
20 breach, or the like on the part of Consultant shall be required for the duty to defend
21 to arise. City shall notify Consultant of any Claim, shall tender the defense of the
22 Claim to Consultant, and shall assist Consultant, as may be reasonably requested,
23 in the defense.

24 C. If a court of competent jurisdiction determines that a Claim was
25 caused by the sole negligence or willful misconduct of Indemnified Parties,
26 Consultant's costs of defense and indemnity shall be (1) reimbursed in full if the
27 court determines sole negligence by the Indemnified Parties, or (2) reduced by the
28 percentage of willful misconduct attributed by the court to the Indemnified Parties.

1 D. The provisions of this Section shall survive the expiration or
2 termination of this Agreement.

3 19. AMBIGUITY. In the event of any conflict or ambiguity between this
4 Agreement and any Exhibit, the provisions of this Agreement shall govern.

5 20. NONDISCRIMINATION.

6 A. In connection with performance of this Agreement and subject
7 to applicable rules and regulations, Consultant shall not discriminate against any
8 employee or applicant for employment because of race, religion, national origin,
9 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or
10 disability. Consultant shall ensure that applicants are employed, and that
11 employees are treated during their employment, without regard to these bases.
12 These actions shall include, but not be limited to, the following: employment,
13 upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or
14 termination; rates of pay or other forms of compensation; and selection for training,
15 including apprenticeship.

16 B. It is the policy of City to encourage the participation of
17 Disadvantaged, Minority and Women-Owned Business Enterprises in City's
18 procurement process, and Consultant agrees to use its best efforts to carry out this
19 policy in its use of subconsultants and contractors to the fullest extent consistent
20 with the efficient performance of this Agreement. Consultant may rely on written
21 representations by subconsultants and contractors regarding their status.
22 Consultant shall report to City in May and in December or, in the case of short-term
23 agreements, prior to invoicing for final payment, the names of all subconsultants
24 and contractors hired by Consultant for this Project and information on whether or
25 not they are a Disadvantaged, Minority or Women-Owned Business Enterprise, as
26 defined in Section 8 of the Small Business Act (15 U.S.C. Sec. 637).

27 21. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in
28 accordance with the provisions of the Ordinance, this Agreement is subject to the

1 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the
2 Long Beach Municipal Code, as amended from time to time.

3 A. During the performance of this Agreement, the Consultant
4 certifies and represents that the Consultant will comply with the EBO. The
5 Consultant agrees to post the following statement in conspicuous places at its place
6 of business available to employees and applicants for employment:

7 "During the performance of a contract with the City of Long Beach, the
8 Consultant will provide equal benefits to employees with spouses and its
9 employees with domestic partners. Additional information about the City of
10 Long Beach's Equal Benefits Ordinance may be obtained from the City of
11 Long Beach Business Services Division at 562-570-6200."

12 B. The failure of the Consultant to comply with the EBO will be
13 deemed to be a material breach of the Agreement by the City.

14 C. If the Consultant fails to comply with the EBO, the City may
15 cancel, terminate or suspend the Agreement, in whole or in part, and monies due or
16 to become due under the Agreement may be retained by the City. The City may
17 also pursue any and all other remedies at law or in equity for any breach.

18 D. Failure to comply with the EBO may be used as evidence
19 against the Consultant in actions taken pursuant to the provisions of Long Beach
20 Municipal Code 2.93 et seq., Contractor Responsibility.

21 E. If the City determines that the Consultant has set up or used its
22 contracting entity for the purpose of evading the intent of the EBO, the City may
23 terminate the Agreement on behalf of the City. Violation of this provision may be
24 used as evidence against the Consultant in actions taken pursuant to the provisions
25 of Long Beach Municipal Code Section 2.93 et seq., Contractor Responsibility.

26 22. NOTICES. Any notice or approval required by this Agreement shall
27 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,
28 postage prepaid, addressed to Consultant at the address first stated above, and to City at

1 333 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a copy
2 to the City Engineer at the same address. Notice of change of address shall be given in
3 the same manner as stated for other notices. Notice shall be deemed given on the date
4 deposited in the mail or on the date personal delivery is made, whichever occurs first.

5 23. COPYRIGHTS AND PATENT RIGHTS.

6 A. Consultant shall place the following copyright protection on all
7 Data: © City of Long Beach, California _____, inserting the appropriate year.

8 B. City reserves the exclusive right to seek and obtain a patent or
9 copyright registration on any Data or other result arising from Consultant's
10 performance of this Agreement. By executing this Agreement, Consultant assigns
11 any ownership interest Consultant may have in the Data to City.

12 C. Consultant warrants that the Data does not violate or infringe
13 any patent, copyright, trade secret or other proprietary right of any other party.
14 Consultant agrees to and shall protect, defend, indemnify and hold City, its officials
15 and employees harmless from any and all claims, demands, damages, loss, liability,
16 causes of action, costs or expenses (including reasonable attorney's fees) whether
17 or not reduced to judgment, arising from any breach or alleged breach of this
18 warranty.

19 24. COVENANT AGAINST CONTINGENT FEES. Consultant warrants

20 that Consultant has not employed or retained any entity or person to solicit or obtain this
21 Agreement and that Consultant has not paid or agreed to pay any entity or person any fee,
22 commission or other monies based on or from the award of this Agreement. If Consultant
23 breaches this warranty, City shall have the right to terminate this Agreement immediately
24 notwithstanding the provisions of Section 10 or, in its discretion, to deduct from payments
25 due under this Agreement or otherwise recover the full amount of the fee, commission or
26 other monies.

27 25. WAIVER. The acceptance of any services or the payment of any

28 money by City shall not operate as a waiver of any provision of this Agreement or of any

1 right to damages or indemnity stated in this Agreement. The waiver of any breach of this
2 Agreement shall not constitute a waiver of any other or subsequent breach of this
3 Agreement.

4 26. CONTINUATION. Termination or expiration of this Agreement shall
5 not affect rights or liabilities of the parties which accrued pursuant to Sections 7, 10, 11,
6 17, 19, 22 and 28 prior to termination or expiration of this Agreement.

7 27. TAX REPORTING. As required by federal and state law, City is
8 obligated to and will report the payment of compensation to Consultant on Form 1099-
9 Misc. Consultant shall be solely responsible for payment of all federal and state taxes
10 resulting from payments under this Agreement. Consultant shall submit Consultant's
11 Employer Identification Number (EIN), or Consultant's Social Security Number if
12 Consultant does not have an EIN, in writing to City's Accounts Payable, Department of
13 Financial Management. Consultant acknowledges and agrees that City has no obligation
14 to pay Consultant until Consultant provides one of these numbers.

15 28. ADVERTISING. Consultant shall not use the name of City, its officials
16 or employees in any advertising or solicitation for business or as a reference, without the
17 prior approval of the City Manager or designee.

18 29. AUDIT. City shall have the right at all reasonable times during the
19 term of this Agreement and for a period of five (5) years after termination or expiration of
20 this Agreement to examine, audit, inspect, review, extract information from and copy all
21 books, records, accounts and other documents of Consultant relating to this Agreement.

22 30. THIRD PARTY BENEFICIARY. This Agreement is not intended or
23 designed to or entered for the purpose of creating any benefit or right for any person or
24 entity of any kind that is not a party to this Agreement.

25 ///

26 ///

27 ///

28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

ALLIANT INSURANCE SERVICES, INC., a Delaware corporation

July 26, 2018

By [Signature]
Name Mark Conway
Title Managing Director

July 26, 2018

By [Signature]
Name [Signature]
Title SUP

"Consultant"

CITY OF LONG BEACH, a municipal corporation

8/7, 2018

By [Signature]
City Manager

"City"

This Agreement is approved as to form on 8/1, 2018.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Lona Beach, CA 90802-4664

EXHIBIT “A”

Scope of Work

- **Provide actuary services as needed, including actuarial costing of mandated benefits programs. Calculate and recommend appropriate premium rates in consideration of employee cost share formulas as prescribed by Memoranda of Understanding (MOUs); administrative fees, and self-funded plan liabilities to maintain the viability of the plans, ensuring quality and cost-effective benefits are provided by the plans.**

Reviewed and agreed.

- **Assist the City with pricing and analyzing benefit change options; project the effect of possible benefit changes on plan costs.**

As part of the renewal process, Alliant will provide analysis and tools to help the City understand alternative plan design and cost reduction options for each line of coverage and how potential changes will affect overall premium and employee out-of-pocket costs. Some of the analysis and decision-making tools that Alliant provides are listed below:

- Evaluation and renewal negotiation
- Analysis of funding options
- Benefit plan design options and cost impact
- Alternative cost control approaches

- **Project effect of employee contribution changes on participation and renewal costs. Assist the City in maintaining employee contribution “bank” in accordance with MOU language.**

Reviewed and agreed.

- **Prepare rate tiers for funding and contributions; prepare fees/rate tiers for premiums.**

Reviewed and agreed. Budget rates are fairly straight forward for insured plans. For self-funded plans, we underwrite the program with a small amount of claims margin to come up with unit costs for each of the benefit plans. We then look at tier experience to identify outlier enrollment tiers that may be disproportionately costly to the overall program and include any needed remedies in our contribution model. Our contribution modeling includes employer budget requirements and takes into account enrollment tier variances and migration assumptions between plans.

- **Conduct migration and/or selection analysis based upon plan design and employer contributions.**

Reviewed and agreed.

- **Assist with the development, negotiation and implementation of health and welfare providers on various topics, including, but not limited to, premium rates, benefit levels, tracking of performance standards and guarantees, contractual terms and conditions, quality assurance standards, utilization and performance reports, statistical and/or financial reports, and where applicable, plan specific data such as medical conditions, prescription drugs, high-cost claims and in-patient data.**

Alliant will represent the City of Long Beach in all negotiations with insurance providers, third party administrators, networks, vendors, etc. In addition to having public sector expertise, Alliant's current book of business has an annual premium equivalency of over \$11.6 billion, which allows us to leverage and negotiate from a very strong position with the carriers.

Our Underwriting unit will play a key role in the negotiation of renewal premiums and plan design options using the process outlined below:

- 1. Evaluate carrier renewal calculation.
- 2. Evaluate demographic changes via census analysis and compare to carrier assumptions.
- 3. Use critical analysis and Alliant's book of business to negotiate the lowest cost.
- 4. Identify and recommend cost saving options that do not change benefits.
- 5. When appropriate, market lines of coverage to other carriers in the marketplace.
- 6. Identify alternative funding and risk-sharing options that may be beneficial to the City of Long Beach

Alliant will work with the City of Long Beach to design carrier service, financial, and claims performance guarantees that ensure carriers are delivering excellent service to the City's Human Resources team and employees. We will monitor carrier guarantee performance continually and report results to the City.

Implementation

Implementation of goals and strategies will be coordinated between the City, Alliant and vendors in order to achieve the best results. Alliant will frequently communicate with the City to ensure milestones are achieved in a timely manner. Alliant has developed an implementation process that will clients to measure each step of the process.

Our implementation support will include the following:

- 1. Manage implementation timeline
- 2. Coordinate implementation calls with new and existing carriers as needed
- 3. Completion of implementation paperwork
- 4. Assistance reviewing and completing master application paperwork
- 5. Review of current and new carrier summaries, SBCs, and contracts for comparison purposes
- 6. Establish enrollment methodology
- 7. Development of communication materials
- 8. Audit enrollment results
- 9. Assist in all transitional issues
 - ID cards

- Access to care
- Escalated service issue

- **Provide an annual review and report of employee benefits programs for quality and adequacy of benefits provided, cost effectiveness, competitiveness, and plan administration and recommendations concerning any changes in terms, conditions and limits.**

Reviewed and agreed.

- **Monitor contracts, including provider plan administration, actuarial review, tracking of performance standards, provider compliance with contracts and incurred claims.**

At Alliant, we understand the importance of an ongoing review of the City's Benefit Program. In order to maintain the integrity of the program, it is imperative that we ensure that the benefit plans and provisions are operating in line with the City's expectations. In order to achieve this, Alliant will provide ongoing support with vendor management and reporting.

As part of our annual work plan for the City, Alliant will track and review contracts with all vendors to ensure consistency with the City's policies and procedures. We will work closely with City Management and vendors to coordinate implementation timelines and make sure milestones are achieved in a timely manner.

For carriers that have agreed to performance standards for items such as customer service (call abandonment rates and average phone hold times), claim payment (turnaround time, and financial accuracy), implementation (claim system readiness and ID card release), we will monitor the results of each measurement on a reoccurring basis using reports provided by the carriers. As part of this evaluation, we will advise the City as to each vendor's performance versus the goals and work with vendors to improve processes for those areas that are short of expected results. Additionally, we would perform a claims operation audit of each carrier to validate the self-reported results and ensure that claims are being processed in accordance with negotiated plan provisions. This does not include the cost of a complete claims audit completed by ICD9 or CPT code analysis which would be performed by a third party.

- **Provide estimates of renewal rates and cost trends and assistance to City staff in preparation of budget figures. Calculate self-funded plan reserve liabilities.**

Clear and concise reporting is essential to understanding the components and cost indicators that drive the performance of your benefit plans. Alliant will work with the City's team to develop a report format and frequency that will enable you to easily monitor your plan's actual financial results versus expected costs.

Alliant will analyze and review historical claims and enrollment history, plan design, and financial information. This will incorporate prior claim experience, trend ("inflation"), enrollment adjustments, administrative expenses, plan changes, etc. We continually review claims experience and request utilization data from the carriers. Even if fully

insured, carriers will still be able to provide some encounter data, large claims and utilization to help assess and identify possible impacts in risk and cost.

Available claims experience data will be reviewed regularly and reports will be prepared to keep the City and committees apprised of utilization patterns, claim experience, plan costs, and trends. We provide annual reports to all clients as well as more frequent monthly or quarterly experience updates with estimates of preliminary rate changes. Our approach includes subjective analysis in addition to objective formulas and methods.

These comprehensive reports become the basis of important plan design, renewal strategy, and alternative funding recommendations.

- **Comprehensive reporting based on robust data warehousing of the City's self-insured medical, pharmacy, dental and vision claims data.**

Alliant has a proprietary engine, IDAP that reviews claims, assesses risk and predicts future exposure. IDAP is our analytics tool for self-funded clients. IDAP measures morbidity in large populations that improves accuracy and fairness in evaluating provider performance, identifying patients at high risk, forecasting healthcare utilization, and setting equitable payment rates. This approach allows you to compile multiple years of data from various sources so you can examine cohort information, compare against benchmark utilization of millions of members, and mine data for deeper meaning on why health conditions appear in the populations rather than just what conditions are prevalent.

IDAP also provides our team of clinicians with the opportunity to provide additional services to support your plan, including care management, case management, disease management, high-risk case identification, predictive modeling, provider profiling (performance assessment), financial analysis, and population profiling.

Most importantly, the system explains and predicts how healthcare resources are delivered and consumed. It also helps Alliant identify persons who are likely to become high-resource users or to become hospitalized, which in turn allows the clinical team at Alliant to work closely with stop-loss vendors, and fully-insured carriers on outreach and care coordination. IDAP accepts data inputs from multiple sources. Additionally, other business intelligence data can be blended to evaluate socioeconomic and sociocultural health risks within a population. This provides the most complete picture of your members' health.

See **Exhibit 1** for an IDAP report Alliant has created for the City of Long Beach in the past.

- **Assist the City in short and long term employee benefit strategic planning goals. Identify and analyze alternative benefit strategies and plans.**

In collaboration with the City of Long Beach, Alliant will develop a long-term employee benefits strategy aligned with the City's goal of maintaining quality programs and containing costs. We will work with the City to understand current challenges, budget constraints and current benefit programs in order to identify a strategy that suits the needs of the City, its committees and employees.

Once we have established a multi-year strategy, we will break those goals down into tangible milestones which will be built into an annual work plan. This custom management plan will consist of a seven-stage process with clearly defined time lines and will be evaluated each year to ensure it is consistent with the long-term goals and changing needs of the City Of Long Beach. After general dates are agreed upon, Alliant will build a more detailed and comprehensive work plan with specific dates and projects outlined. Please refer to **Exhibit 2** for a sample client work plan.

In order to identify goals and objectives, Alliant begins the renewal process 6-9 months prior to the effective date with our pre-renewal meeting so that we understand the City's budget requirements, expected growth and other anticipated needs. We will provide the following information at the pre-renewal meeting:

- Provide market trends analysis by plan
- Introduce new product innovation
- Review insurance carrier performance
- Identify areas of cost containment
- Provide renewal estimates
- Provide large claim analysis

This strategy provides us with ample time to evaluate options, secure the most favorable contractual terms, and to provide scenarios that meet the City's budget guidelines.

- **Provide, maintain and update comparison reports of other cities, counties, and/or other public agencies' benefits plan offerings and costs to determine their competitiveness to the City's programs as needed.**

We will provide the City with customized benchmarking information. With our extensive client base, we are able to provide pertinent information regarding industry trends and comparative cost data. Alliant can compare the City's current benefit and commercial plans, premium costs and cost sharing strategy with that of our benchmark data. After our benchmark review, we will deliver the results of our findings and may suggest additional changes or enhancements that will have a positive effect on plan performance and utilization behaviors.

See **Exhibit 3** for a sample of our benchmarking report.

- **Develop and administer any Requests for Proposal (RFPs) or Requests for Information (RFIs) for independent service providers of employee benefits services such as third party claims administration services, enrollment services, COBRA administration, supplemental insurance, etc.; evaluate proposals in response to an RFP (or RFI) and prepare a written report and cost benefit analysis regarding recommendations; prepare or make presentations for City Council or Council Committee review.**

Alliant evaluates vendor services through an RFP and due diligence process designed to draw out the best quality services and cost proposals for our clients. Regardless of the service (Medical, Dental, Benefit Administration, Online Eligibility, COBRA, etc.), Alliant will ensure that all vendors are competing on a level playing field through

comprehensive RFPs that delineate required services. We will make vendors compete from a service and pricing perspective to leverage the most competitive proposals from the marketplace.

Alliant understands that while changing carriers is undesirable for employees, it is periodically necessary to market lines of coverage to other insurance carriers to ensure the City of Long Beach is receiving the most cost effective and comprehensive coverage available. The Alliant team will evaluate many variables in the renewal and marketing process in order to determine qualified bids and carriers. Examples of variables, other than cost and benefit schedules, that are reviewed in the evaluation of bids and bidders include:

- Network size and disruption analysis
- Retiree coverage options
- Reporting capabilities
- Administrative efficiencies
- Eligibility maintenance
- Fee structure
- Rx formulary listings
- Employee and retiree educational materials
- Data integration capabilities
- Continuity of care provisions
- Claim adjudication speed & accuracy

See **Exhibit 4** for the actual 2017 City of Long Beach RFP Results presented by Alliant.

Recommendation

Alliant will work closely with the City’s team to develop goals and strategies that meet the needs of all parties before the renewal and marketing process begins. Recommendations will be based on these underlying goals and strategies incorporating the most cost effective plan offerings. Alliant understands the importance of maintaining a rich benefit level while minimizing costs for City employees.

Alliant will assemble all data and put it into a report format that is clear and concise. The Alliant team will make pro-active recommendations to ensure comprehensive coverage at the lowest cost to our client and its employees. We will review this material with the City and HIAC committee, and address any questions to assist with the decision making process.

Note: We will develop and recommend insurance carriers based on the carriers financial stability. Alliant uses 1-4 financial rating agencies to provide insurer solvency reporting to our clients. A.M. Best is the gold standard which we follow; however, depending on what we are marketing, we may utilize all of the four ratings. The ratings are reported to our clients in the marketing results section of our market analysis report.

- **Assist with any government and/or IRS filing as needed in connection with the annual renewal process and/or implementation of existing or new services, as necessary.**

Alliant Insurance Services will assist with any government and/or IRS filings as needed in connection with plan renewals and/or implementations.

As part of our Scope of Services we will review your current practices and update The City on new developments, legislation, regulations, and practices that affect proper plan design and cost effectiveness.

A sample list includes:

- Medicare Part D compliance
- COBRA Regulations
- Cafeteria Plan Election Change Regulations
- HIPAA Guidance on Compliance
- ADA Compliance
- FMLA Compliance
- Effect of Military Leave on Health Insurance Coverage
- Healthcare Trends
- Healthcare Reform

See **Exhibit 5** for the 2016 PCORI Fee Analysis Alliant completed for the City.

- **Regularly attend scheduled meetings of the Benefits and Finance department and the Health Insurance Advisory Committee (HIAC) (includes full and sub-committee). Prepare and present reports at these meetings to advise of plan options, market trends, audits, renewals, compliance requirements, etc.**

We understand the political nature of the collectively bargained benefit process. Often major program decisions cannot be made without the consensus of a committee. We will continue working to establish a rapport with the bargaining units so that we can have effective discussions regarding important issues to include:

- Weighing the need for rich benefit plans in the midst of a state budget crisis
- Working collaboratively with union representatives to discuss plan alternatives

We have over 35 years of experience working with and educating public sector benefits committees to educate, inform, empower, and gain consensus with their constituents to make collective decisions that ensure the future success of their respective health and welfare program. We can attend, host and prepare presentations for reoccurring meetings whether they be monthly, quarterly, etc. Below outlines the services our team will provide on a reoccurring basis or as needed:

- Attend regular meetings and help establish agendas
- ACA Updates and legislative guidance
- Review reporting packages
- Provide benchmarking data
- Provide options for plan design changes along with decrements
- Establish short term and long term goals
- Provide education on market trends
- Field questions and suggestions

- **Assist with the entire open enrollment planning process each year, including, but not limited to, developing a timeline, assisting with the development of open enrollment materials and coordination and participation in open enrollment meetings. Assist in final review of open enrollment communications material.**

Alliant will continue to be actively involved in the City's annual open enrollment. We assist in planning, facilitating, and conducting any required open enrollment meetings onsite or using a recorded webinar. We will also assist in designing, creating and reviewing communication materials as needed. We will coordinate the request for insurance carrier materials and attendance at meetings when required. We recommend starting the open enrollment process as early as possible. Alliant's experienced service team will work with the City to create a timeline of activities leading up to open enrollment with key milestones highlighted as well as shared responsibilities.

Health Fairs

We know the City of Long Beach also typically holds health fairs in conjunction with open enrollment. Alliant Insurance Services believes annual health and safety fairs are a fundamental part of any group healthcare strategy. The City's dedicated service team will be happy to assist with the planning of the event and help secure vendors for the health fair. Additionally, we would help the City to select among the numerous screening services and educational demonstrations and exhibits that are available for health fairs.

- **Develop and produce an effective communications program for open enrollment, new and ongoing benefits programs including; concept, design, production, printing and delivery of various employee communication materials in various medium. Provide annual comprehensive benefits booklets for actives, retirees and non-permanent employees.**

Alliant's communications capabilities are a differentiator. We understand that effective team member communications and employee engagement are vital components of successful health and welfare programs. We are experts in developing communications that are designed to clearly explain benefit options, available resources, increase employee awareness/participation, and educate employees and retirees on how to get the most out of their benefits. We help you deliver your benefits messages across multiple channels (person-to-person, digital, and printed) so that employees and home decision makers can get to the information they need – in the format they prefer. We provide a year-round approach which includes support with the following (see **Exhibit 6** for a visual of the materials):

- Open Enrollment & New Hires/Recruitment
- Education
- Videos
- Mobile/Interactive

Employee Benefits Campaign Builder

CampaignBuilder

Alliant has a standard communication package that includes a full spectrum of open enrollment and new hire resources, as described below. This program, called CampaignBuilder, enables you to customize your materials and select a theme to match your company's culture and brand.

Some materials include:

- **Employee Benefits Overview Booklet** – A simple design and standard text that can be customized for various employee groups/locations. This brochure may be distributed as a PDF, posted online as an interactive flipbook, and/or printed and distributed. See **Exhibit 7** for a sample CampaignBuilder Employee Benefits Overview Booklet and visit the following link for a sample CampaignBuilder interactive flipbook: <http://alliant.com/employeebenefits>
- **Postcards** – For companies that want to send out announcements ahead of open enrollment, we can develop postcards that coordinate with the look of the Employee Benefits Overview Booklet, professionally print them and have them mailed to employees' and/or retirees' homes. See **Exhibit 8** for a sample CampaignBuilder postcard.
- **Posters** – Worksite posters are an effective way to remind employees about open enrollment dates and action steps. CampaignBuilder includes poster designs to round out your campaign. See **Exhibit 9** for a sample CampaignBuilder poster.
- **Email Announcements** – We prepare a series of emails leading up to open enrollment, communicating benefit changes, employee action steps, meeting schedules, and anything else that employees need to know to complete enrollment. We also have comparable emails for new hires. See **Exhibit 10** for a sample CampaignBuilder email.
- **Presentation** – For your open enrollment meetings, we prepare an engaging open enrollment presentation summarizing the benefit changes for the coming year and highlighting any benefits that you want employees and/or retirees to focus on. To record your presentation, we can use the Brainshark platform which enables either your Alliant team, your staff or a professional voiceover artist to bring your presentation to life and allows viewers to easily navigate through slides using an interactive table of contents. Employees can access the presentation from any computer or mobile device. View the following link for a sample recorded presentation: <http://alliant.com/employeebenefits>.

To view a full catalog of CampaignBuilder materials and themes, refer to **Exhibit 11**.

Employee Education

Our educational materials provide tips employees need to be savvy consumers. Some available materials include:

- High Deductible Health Plan eGuide
- Health Savings Account eGuide
- Benefits newsletters
- Monthly wellness newsletter – Refer to **Exhibit 12** for a sample

VIDEOS

In order to make our campaigns even more engaging, we can provide several promotional and educational videos:

- Sample open enrollment kick-off video: [http://www.alliantbenefits.com/oe13](#)
- Sample new hire benefits video: [http://www.alliantbenefits.com/newhire](#)
- Prescriptions Dos & Don'ts educational video: [http://www.alliantbenefits.com/oe13/prescriptions](#)

MOBILE APPLICATIONS

Ben-IQ™ Smartphone Application

Alliant's Ben-IQ is an innovative mobile application designed to reflect increasingly mobile employees' need for 24/7 access to plan information. Ben-IQ offers employees a wealth of online features and functionality as shown in **Exhibit 13**. Some features, such as nurse line contact information, can help employees make the right decision about what level of care to seek, saving both the employees and their employer money and time. Additionally, the ability to quickly and easily find an in-network provider, anywhere in the nation, ensures that employees have the most up-to-date information, helping lower out-of-network usage. **Exhibit 14** includes a Ben-IQ email Alliant has created for the City of Long Beach in the past along with a sample poster.

See Ben-IQ in action on YouTube: [http://www.youtube.com/watch?v=...](#)

Video Postcards

We've partnered with Flimp Communications to bring our clients cost-effective open enrollment videos. How does it work? We start with our animated, pre-produced OE video and modify it for each client. This video is designed so the content and voice over are not altered, but slight adjustments make it fit each client's needs without breaking the bank. These engaging virtual cards combine video, text and links to resources, and are delivered by email or through a web link. Flimp reports open enrollment response rates from 75-95% using this dynamic messaging method. In addition, we can see engagement rate and track the specific content that employees respond to through detailed online tracking reports.

AlliantConnect – Employee Portal

Alliant Connect is a communications platform that provides employees with easy access to centralized online information about benefits, health and wellness issues and Human Resource forms, policies and procedures, employee total compensation, and much more. It is the client's single source for managing benefits tools and information. AlliantConnect serves as a life management tool for employees who need quick and easy access to resources to take care of their health, finances, and work/life balance. This centralized resource center is the online destination where employees can perform a variety of tasks conveniently, aided by personalized information. Its unique combination of plan and health education gives employees a strong foundation to become more savvy consumers of healthcare and other benefits. Products and services that are included (or may be included) are outlined below:

- Benefits Center
- Total Compensation Statements
- Human Resources Center
- Basic Enrollment Services
- Health and Wellness Center
- Client Community

My Info Center
Financial Service
Advisor Tools

Employee Cost and Care Guide
Complete Online Enrollment Services

See **Exhibit 15** for additional information regarding AlliantConnect.

2017 PLAN DESIGN AND COSTS FOR THE CITY OF LONG BEACH

To see a quick snapshot of just some of the materials designed by Alliant and City of Long Beach for the 2017 plan year, please reference **Exhibit 16**.

- **Review and make recommendations regarding value-added benefits plans and programs, as well as modification to the design, cost (rates), communications, and quality of current employee benefits plans, retiree plans and other related programs. Monitor and provide experience trends reports and special studies and reports as requested by City, including annual accounting report of all plan operations.**

Reviewed and agreed.

- **Provide updates on pertinent proposed and enacted benefits legislation, including, but not limited to the Patient Protection and Affordable Care Act.**

Alliant has taken proactive measures to stay on the forefront of healthcare reform legislation (PPACA). We are committed to staying ahead of the curve on the latest developments in legislation, regulations and practices that impact proper plan administration, plan design and cost effectiveness.

Alliant's Compliance Department is available to assist employers in complying with healthcare reform, as well as all federal and state laws governing employee welfare benefits. Ongoing support and education as well as regular updates are provided to our clients through the Alliant service and Compliance teams.

- **Provide regular and timely research and professional advice on new developments in state and/or federal benefits law to ensure that City staff is current on any new developments and/or requirements relative to legally administering its benefits plans, i.e., HIPAA, COBRA, etc. Upon request, prepare reports on how such changes impact the City's benefits plans.**

Our Compliance department is an essential resource in the era of increased regulatory burden and enforcement. Alliant's Employee Benefits Compliance department works closely with the employee benefits service teams to understand your plan design and population, business objectives, culture, and risk tolerance, which facilitates proactive and practical compliance support. Our dedicated team of experienced attorneys and compliance specialists protect you where you are most vulnerable. Ever proactive, always on top of the issues of the day, our Compliance team will answer the questions you don't even know to ask and the Alliant service team will be happy to prepare and present reports to the committee and sub-committees with this information.

The Alliant Distinction: Alliant's Compliance department fills the knowledge gap by being proactive and client-integrated. We've created tools that not only educate, but also help create practical solutions specific to your unique business operations and culture. Knowing the rules is merely half the battle; how those rules impact your employees, plans, and operations is the difference that is the Alliant distinction.

We will also provide daily Q&A support and proactive education/tools including:

- Quarterly Webinars — count for CLE credits and are recorded for playback
- Alerts — As guidance is released, alerts are promptly issued with information about how it impacts employer plans
- In-person seminars at six main offices
- Alliant Insights — In-depth reviews on specific topics that impact plans

Some of the topics our Compliance department will assist with include:

- ERISA
- HIPAA Privacy and Security
- Affordable Care Act
- COBRA
- Wellness programs
- Cafeteria plans/Section 125
- General IRS tax code guidance (e.g. Code 105, 106, 152)

Please see **Exhibit 17** for sample external compliance materials including a webinar invite, alert, insight, and calendar. In addition, you will find a Friday Fast Facts which is distributed internally, on a weekly basis, to keep our service teams updated and informed.

- **Assist in COBRA, HIPAA, and PPACA compliance, including review and preparation of SPDs and Plan Documents.**

Reviewed and agreed. As noted above, our Compliance department, in addition to your service team, will provide daily Q&A support and proactive education/tools to ensure you are apprised of any COBRA, HIPAA, and PPACA legislation affecting the City. Your service team will also assist with creation of appropriate plan documents, wrap documents and SPDs.

Alliant has already created many compliant documents for the City in the past, such as an Rx SPD and Cafeteria Plan document. Both of these documents were created at no additional cost to the City.

- **Maintain full and accurate records with respect to all matters and services provided to the City for a minimum of seven (7) years from December 31 of the affected plan year. At the request of the City, provide all spreadsheets, assumptions, formulas and calculations upon completion of any project performed on behalf of the City's benefits plans and programs.**

Reviewed and agreed.

- **Review pertinent contracts and other legal documents to ensure that they accurately reflect negotiated benefits, services and terms.**

As part of our scope of services, Alliant will review, track and provide recommendations on all of your current plan documents, contracts, and benefit booklets on an annual basis to ensure:

- Policy issue tracking document (tracks production and review of contracts, SBCs, Benefit Summaries, EOCs, SPDs and policies)
- Compliance and legislative requirements (i.e., compliance timelines for document delivery, required notices, etc.)
- Consistency with the City's policies and procedures
- Comprehensive coverage ensuring significant gaps or exclusions are consistent with the City's understanding of the plan
- Rates, benefits and provisions match what was agreed upon renewal
- Creation of appropriate plan documents, wrap documents and SPDs

At the end of this process, Alliant will deliver electronic copies and, if requested, hard copies of the contracts.

In order to ensure the deliverables are provided timely to the City, carrier contracts and documents are included and tracked in our annual work plan via a tracking document.

AlliantConnect – Employer Portal

Another option for delivering contracts and plan documents is loading them onto our proprietary software, AlliantConnect. This employer portal (different than our employee portal) is Alliant Insurance Service's enterprise class extranet, allowing clients as diverse as governments through retailers to conduct their insurance operations in real time. The software allows us to connect and share documents with clients in a secure fashion making them accessible to clients at any time.

- **Review for accuracy and content the communication materials furnished by the carriers, such as certificates of coverage, summary brochures, claim forms, letters and announcements, as well as all contract documents.**

Reviewed and agreed. We will always review documents provided by carriers and vendors to ensure accuracy and correct reflection of the City's intended plan benefits.

- **Review and assistance with resolving disputes regarding coverage, billing questions and service delivery.**

Alliant will act as a liaison between the City of Long Beach and all insurance carriers and third-party vendors.

As part of our proposed services, your Alliant team will respond to and expedite resolution of all issues regarding contract administration, service provisions, benefits coverage, billing questions, and service delivery in a timely

manner. Alliant is experienced in working with insurance carriers, providers, and network administrators to resolve claims disputes, eligibility and billing errors, contract discrepancies, and quality of care.

Alliant's team members will ensure that the City of Long Beach receives the highest level of timely and accurate problem-solving satisfaction and will:

- Respond within 24 hours to every inquiry call
- Research and resolve claim and eligibility issues
- Monitor service of carrier and third-party administrators
- Track claim office and member services data to assess and make recommendations for plan changes and employee education needs

We will continually monitor any carrier service, financial, and claims performance guarantees put in place to ensure carriers are delivering excellent service to the City team and employees.

• Advise City staff on changing benefit issues and experience trends.

At Alliant, we are continually engaged in the marketplace and closely monitor developments in the healthcare industry. We believe that informed clients are more empowered to make tough decisions and communicate more effectively with their constituents. Alliant will meet with the City as well as the HIAC committee and sub-committees as frequently as needed to discuss important issues such as:

- Medical, prescription drug, dental and vision trend
- National and local cost drivers associated with increased premiums
- National and statewide enrollment trends
- Federal and state legislation affecting healthcare
- Provider networks
- Survey data

We will also provide information regarding emerging trends in the market such as:

- Consumer Driven Products
- Private Health Exchanges
- Telemedicine
- Accountable Care Organizations
- Contribution and Incentive strategies
- Health Management and Wellness products and strategies
- Medical Tourism
- Medical Bill Review
- Reference-Based Pricing
- Transparency Tools
- Care Coordination
- Onsite and Virtual Clinics
- Pass Through Pharmacy Models
- Innovative communication and engagement strategies

• Serve as a reliable source of expertise for various benefits issues that may arise.

Reviewed and agreed.

EXHIBIT “B”

Rates or Charges



Alliant Employee Benefits

Cost Proposal

City of Long Beach RFP HR17-104

August 15, 2017

Confidentiality and Proprietary Information

Confidentiality

The information contained in this proposal, including the Exhibits, is the confidential and proprietary information of Alliant Insurance Services, Inc. (Alliant) and is protected by trade secret and other applicable laws. The recipient of this proposal agrees that this information will only be used in connection with the review and consideration of this proposal and may not be copied or shared with any other person or entity other than the recipient. If the recipient is requested, whether by subpoena, court order, public records or freedom of information request, to disclose any part of this proposal, the recipient shall promptly notify Alliant of such request, prior to any disclosure, so that Alliant can, at its option, take steps to protect the confidential and proprietary of the information contained in this proposal. The breach of this confidentiality obligation may result in irreparable harm to Alliant and, as such, the recipient acknowledges and agrees that Alliant shall be entitled to pursue all available legal and equitable remedies, including injunctive relief, without the requirement to post a bond, in the event of a breach.

Disclaimer and Disclosure

This proposal is for information purposes only and does not amend, extend or alter the policy in any way. Please refer to the policy form for completed coverage and exclusion information.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com/compensation. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

*Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.aambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

To learn more about companies doing business in California, visit the California Department of Insurance website at www.insurance.ca.gov.

Table of Contents

Cost.....	3
Additional Services	5

Important Note: This PDF is designed to be interactive on your computer. You may click on any page number or page title on the above Table of Contents to get automatically redirected. We have also added bookmarks to each section utilizing Adobe PDF's Bookmarks feature. Clicking on the section title on the Bookmarks Navigation pane will automatically redirect you to the appropriate page.

Broker-Consultant fees are mutually agreed upon with our clients. We are open to discussion about a mutually acceptable fee arrangement with the City of Long Beach. For the Scope of Services described in this RFP and listed above, Alliant proposes to collect a flat annual fee of **\$224,000**. We are open to discussion on the frequency in which this fee would be collected (monthly, quarterly, etc.) as we want to ensure it is convenient for the City.

Alliant has had a long and valued relationship with the City and we would never want compensation to be a reason not do business with us, if you believe we are the right partner to help shape your benefits future. We are open to discussion about a mutually acceptable fee arrangement with the City of Long Beach.

For the fee(s) outlined above, Alliant's services include, but are not limited to the following:

Strategic Planning/Annual Objective setting/Annual Work Plan	Included
Pre-renewal meeting (strategy, market update, compliance, etc.)	Included
Renewal Negotiation, Analysis and Recommendations	Included
Procurement of Alternative Cost Saving Initiatives and Options	Included
Utilization Review and Trend analysis	Included
Financial Reporting & Underwriting <ul style="list-style-type: none"> - Monthly Claims Reporting (all plans) - Underwriting Projections Quarterly - Internal and External Actuarial Review - Rate Setting and Restructure - Incurred but not reported and claim fluctuation reserve recommendations 	Included
Access to Alliant Proprietary Programs and Exclusive Purchasing Programs	Included
Legislative Compliance Support	Included
Healthcare Reform Compliance & Consulting	Included
Contract Review	Included
Human Resources Consulting (Guardian or Think HR)	Included
Support HIAC Meetings (1-4 x per month)	Included
Budget and Finance Meetings (1 – 2 x per month as needed)	Included
City Council Meetings (if needed)	Included
Benchmarking	Included
Employer Advocacy and Problem Resolution	Included
Open Enrollment Coordination and Support	Included
Active and Retiree Communication Development	Included
Ben-IQ™ Mobile Application with transparency tool	Included
Health Fair Coordination	Included
Alliant Choice Plus Voluntary Plan Platform	Included
AlliantConnect Customized Employee Web Portal	Included
AlliantConnect Customized Employer Web Portal	Included
Wellness Program Consulting, Analysis and Recommendations	Included

Benefit Advocate/Employee Call Center Service – Active Employees Only	\$24,000 Annually
Benefit Advocate/Employee Call Center Service – Active Employees & Retirees	\$34,000 Annually

In our experience, no list of services included or excluded can anticipate all of the possible needs of our clients. It is our intention to offer as much service as possible within the proposed fee quoted across the full spectrum of employee benefits consulting and compliance work. We seldom encounter a client need that we cannot accommodate with our internal resources. Should a situation arise, we would work with the City of Long Beach to reach a mutually acceptable determination of how such a service should be provided and at whose expense.

Please note, Alliant does not accept carrier bonuses or contingent commissions from the City’s carriers for placement or steerage of business.

Service Guarantee: To illustrate our commitment of quality service to the City of Long Beach, Alliant is willing to place **10%** of our annual consulting compensation at risk. Listed below are the proposed categories of the Service Guarantee:

- Execution of Scope of Work (50%) – City of Long Beach’s satisfaction with deliverables in the Scope of Work.
- Service and Support (50%) - Service and support of the City of Long Beach with decision making tools, attendance at meetings, and assistance for any implementation of new benefits/products and transition of carriers.

At any time, the City of Long Beach can invoke the terms of the guarantee. All categories are based solely on client satisfaction level.

Alliant is able to assist the City of Long Beach in evaluating vendors who provide additional services such as claims audits and dependent audits. Our annual consulting fee includes needs assessment, analysis, negotiations, evaluation and implementation. We are able to increase our annual consulting fee in order to include **pass through costs** for the additional services, meaning Alliant would not receive additional compensation.

Alliant is not affiliated with, nor do we own, any vendors who provide the services listed below. Our philosophy is to assist our clients in evaluating “Best in Class” vendors such as third party administrators, HRIS, online enrollment, benefits statement, claims audit and third party wellness programs.

Based on our large volume, we have been successful working with “best in class” vendors to negotiate preferential pricing that we pass directly on to our clients. We have conducted comprehensive analyses of each of their capabilities and fees in order to recommend vendors who are able to provide a full array of services and, most importantly, accommodate the needs unique of each client.

These services are available and not included in the consulting fee of \$224,000 and are subject to additional costs if selected:

1. The City will have access to the full range of HR Services through GuardianHR and ThinkHR that are not covered in the annual membership. Listed below are the service and the estimated cost.

Employee Handbooks	\$3,500
Affirmative Action Plans	\$3,600
Employment Dispute Resolution Programs	\$1,000
Unemployment Insurance Administration	\$3,000
Employee Attitude Surveys	\$1,800
I-9 Audits	\$3,000
Background Checks	\$35 per person
Compensation Systems	\$10,000 -\$100,000
Job Description Review and Development	\$150 per job description
Internal Investigations	\$1,350
Wage and Hour Audits	\$3,200
Employee Transitioning	\$1,350
Performance Appraisal Programs	\$3,000
Safety Programs (SB 198)	\$5,000
Organizational Development	\$2,000 -\$15,000
HR Training	\$3,000

2. Costs for Health Fair and additional screenings. The following are some common screenings and exhibits:
 Estimated cost for these services is \$5,000.

Cholesterol Testing
Blood Pressure Check
Skin Cancer Screening
Smoking Cessation
Stress Management
Money Management Education
Ask-a-Dietician
Child Care Resources
Pre-natal Care
Legal Services Information
Blood Glucose
Mini Massage

3. Actuary study on GASB 45 Liability: Estimated cost is \$10,000-\$15,000
4. Third Party Claims Audit: Estimated cost \$40,000 - \$60,000 depending on scope
5. Formal written Legal Opinions: Estimated cost \$3,500
6. Administrative Suite of services: Estimated cost is \$6.50 - \$10.50 per employee per month
 - a. Online Enrollment solutions
 - b. Eligibility Management
 - c. Consolidated Billing
 - d. Retiree Billing
 - e. COBRA
 - f. FSA Administration

EXHIBIT “C”

City’s Representative:

Michelle Hamilton, HR Officer

(562) 570-6371

EXHIBIT “D”

Materials/Information Furnished: None

EXHIBIT “E”

Consultant’s Key Employee:

Michael Menzia, EVP Managing Director