

Administrative Fee Proposal For Kalamazoo Public Schools

Set-Up Fees (One time Only) - \$5,000.00

The set-up fee includes:

1. Set-up of **3** plans in the NGS claim system
2. Installation of WES (NGS' Web Eligibility System) with training session
3. Load one eligibility file in NGS format
4. Load claims historical file in NGS format
5. Initial supply of forms and ID cards sent client location(s)
6. Employee meetings can be accommodated at \$65/hour, not to exceed \$455.00/day.

Basic Administration Services

	Billed per employee per month unless noted otherwise					
	1 Year	2 Year Agreement		3 Year Agreement		
Medical*	\$15.44	\$14.98	\$15.44	\$14.35	\$14.98	\$15.44
Dental	\$2.98	\$2.85	\$2.98	\$2.77	\$2.85	\$2.98
Final Claims Determination Services Annual Cost + Per Case Fee	\$2,500/year \$250/case	\$2,500/year \$250/case	\$2,500/year \$250/case	\$2,500/year \$250/case	\$2,500/year \$250/case	\$2,500/year \$250/case

NOTES:

- (1) If NGS is required to process run-in claims, an additional \$18/medical claim and \$7/dental claim processed will be charged.
- (2) Multiple year agreements (if applicable) are non-cancelable (except for cause) agreements.

Medical Claims Administration Services

Administration Services include:

1. New York and Massachusetts surcharge filings
2. Centers of Excellence transplant program through Optum Health.
3. Specialty wrap networks for diagnostic imaging, dialysis, home health care/infusion
4. Maintenance and coordination with generally utilized PPO's
5. Specific and Aggregate stop loss submissions
6. Stop loss "advise-to-pays" for premium remittance
7. Annual re-marketing of stop loss to a minimum of three (3) carriers
8. Annual graphical analysis
9. Standard monthly reporting package
10. WES eligibility system and all updates including Help Desk assistance
11. All forms, supplies and ID cards, (excluding total group ID card reissues, postage and handling)
12. 5500 assistance
13. Toll free telephone line

Health Care Management - Basic

	Billed per employee per month unless noted otherwise					
	1 Year	2 Year Agreement		3 Year Agreement		
HCM Basic is billed pepm and includes:	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
1. UR – Intake, nurse review, discharge planning						
2. UR - Written verification to the hospital, doctor, and employee						
3. UR - Identification and coordination of case management services						
4. Case Management						
5. Maternity Management						
6. Annual statistical and graphical analysis						

Health Care Management Services - Optional

NGS Health Center (powered by WorldDoc) includes: \$0.65 pepm

- 24/7 Nurseline
- On-line Health Risk Assessment
- On-line health management tools

YourCare Services: \$3.50 pepm

- YourCare **Healthy Benefits** – Notices to all participants and their providers when they are due for screenings
- YourCare **Monitoring** – Identify medical & Rx gaps in care for patients with chronic conditions. Contact patients to ensure compliance for better health outcomes.
- YourCare **Focus** – Disease Management program. Identifies the top 2% of future large claimants for outreach intervention and care management. Provides member health coaching support.

On-site biometric screenings, client desktop data mining report package and other health management programs are available and can be quoted upon request.

Web Tools (Optional)

World Doc	<u>pepm</u>
Data Mining (Verisk/D2 Hawkeye)	\$0.10
Data Mining w/World Doc	\$0.60
	\$0.70

COBRA Administration \$1.25 pepm*

HIPAA Administration

Certificate + copy to spouse & reprints to same address \$0.25 pepm*

HSA Administration

INTEGRATED ACCOUNTS

Employees who authorize NGS to adjudicate/pay claims from their HSA Account

\$2.75 pepm- less than 100 HSA participants
 \$2.25 pepm- 101-499 HSA participants
 \$2.00pepm- 500+ HSA participants

NON-INTEGRATED ACCOUNTS

Employees who do not authorize NGS to adjudicate/pay claims from their HSA Account.

\$1.00 pepm 0-100 participants
 \$0.75 pepm 100+

NO HSA ACCOUNT

No Charge

Implementation Fees -

HSA Enrolled	
<u>Employees</u>	<u>Set-Up-Fee</u>
1-500	\$1,000
501-1,000	\$1,500
1,001-1,500	\$2,000
1,501-2,000	\$2,500
2,000+	TBD

The above includes set-up and enrollment for a Mellon Bank HSA owned by the participant. NGS will receive and adjudicate claims, including PPO discounts, and pay the provider for those employees who authorize NGS to do so.

MELLON BANK FEES

Participant Fees: Electronic Enrollment (from NGS to Mellon) - \$15.00, Manual Enrollment by Mellon - \$25.00

Participant is responsible for normal bank charges for NSF, overdraft, stop payments for checks written by employee, levies, etc.

A monthly account fee is charged which can be paid in one of two ways:

- 1) participant is charged a \$3.50/month while fund balance is than \$1,000 or
- 2) employer can pay a monthly fee of \$2.25 per HSA account.

HSA REQUIREMENTS

- 1) Prior to NGS being able to pay claims on behalf of a HSA participant, employee must authorize NGS to have access to participants HSA account.
- 2) In order to pay claims that include HSA funds, the Employer’s funding account must be converted to a trust account, if not already.
- 3) Deposits to Mellon HSA accounts from employer (employer contributions and/or payroll deduction) must use the ACH network.

HRA Administration

\$3.50 pepm

Eligibility Administration (Optional)

Updates to other vendors via EDI - ANSI 834

\$0.25 pepm / \$0.35 pepm*

*Medical vendors / Life/Disability vendors

- Includes annual open enrollment file load to each vendor partner

Additional Full File Loads

\$300/1st 1,000 records, \$150/each next 1,000 records

Any reformatting, scrubbing or programming is subject to programming

Compliance & HR Outsourcing - Individual Letters - Package Includes:

\$1.00 pepm*

- Initial COBRA Rights Notification
- Dependency Verification
- Pre-existing Notification
- Medicare Part D Notices
- Medicare Notices
- Coordination of Benefits Solicitation
- HIPAA Privacy Notices

Data Entry Outsourcing

New Enrollment

\$9.00 per enrollment

\$1.50 per update

*These items can also be quoted on a “per transaction” basis upon request.

Plan Design and Employee Communication Services

Plan/SPD Drafts	\$65/hour plus travel expenses
Word Processing	\$25/hour
Employee Communication	\$65/hour plus travel expenses
Employee Meetings	\$65/hour plus travel expenses
Provider Introduction Letters	\$2.25 each
Additional Plan Loads	\$275/plan

IT Support Services

Programming Fee Schedule:

Project Manager	\$150.00/hour
Project Leader	\$120.00/hour
System Analyst	\$90.00/hour
Programmer	\$70.00/hour

Other Services

Printing of customized forms, SPD's, etc. are billed at net cost to the client. Audit company fees and physician review fees are also billed net to the client. Additional services of a specialized nature are also available and may be quoted upon request.

Proposal Conditions and Limitations

The following is a summary of issues to be completed prior to the effective date of NGS administration:

1. Service Agreement and Addendums for NGS services in must be executed by all parties.
2. One month's estimated administrative fees to be paid in advance.
3. It is understood that payment of claims will be in accordance with the most recent summary plan description which has been distributed to employees. Employees and COBRA beneficiaries will be notified of the change in claims administrator and, if applicable, funding method of the plan.
4. Excess loss insurance contract(s) terms must be verified in writing.
5. Client will utilize electronic maintenance for Eligibility and COBRA via EDI or internet based WES system.
6. A checking account will be established in your own bank, and NGS' signature authority will be limited to a maximum of \$50,000.00.
7. Additional changes in plan design or inclusion of multiple plans may affect the fees quoted.
8. This quote is valid for 90 days from the date of the proposal.