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JAN 12 2012



MEMORANDUM

DATE: JANUARY 12, 2012

TO: MAYOR AND CITY COUNCIL

THROUGH: RICH DLUGAS, CITY MANAGER *RD*
DEBRA STAPLETON, HUMAN RESOURCES DIRECTOR *DS*

FROM: VALERIE F. HERNANDEZ, BENEFIT PROGRAMS SUPERVISOR *VFH*

SUBJECT: ADOPTION OF RESOLUTION NO. 4570 - 1) APPROVING AGREEMENT BETWEEN CITY OF CHANDLER AND RELIANCE STANDARD LIFE INSURANCE COMPANY FOR SHORT TERM DISABILITY ADMINISTRATIVE SERVICES, AND 2) APPROVING ASSIGNMENT OF AGREEMENT TO MATRIX ABSENCE MANAGEMENT, INC.

RECOMMENDATION: Staff recommends that City Council passes and adopts Resolution No. 4570 - 1) approving agreement between City of Chandler and Reliance Standard Life Insurance Company for short term disability administrative services, and 2) approving assignment of agreement to Matrix Absence Management, Inc.

BACKGROUND/DISCUSSION: In June of 2011 the City conducted a Request for Proposal (RFP) to include the City's life insurance benefit and short-term disability benefit services respectively. Vendors were invited to submit a proposal for either one or the other service or for both services. The City maintained the right to award the life insurance benefit and short-term disability benefit services to one vendor or two separate vendors.

The City's short term disability benefit (STD) coverage provides income benefits to replace a portion of lost earnings for regular employees who are unable to work as a result of a non-work related disability. The benefit was established in order to help ease income concerns caused by a period of total disability (a medical condition that prevents the employee from performing the essential duties of the employee's job classification

with or without a reasonable accommodation). The STD benefit is 66 2/3% of the employee's bi-weekly earnings.

The Human Resources Division oversees the STD self-funded account and currently handles all evaluative and administrative functions associated with the benefit to include but not limited to providing information and notification to eligible employees, coordination of paperwork and communication with employee's attending physician, coordination with attending physician and employee to determine earliest return to work date. There has been a substantial increase in the City's exposure of liability due to the amended Health Insurance Portability and Accountability Act (HIPAA) privacy and security rules. With the changes has come an increase in the level of complexity regarding each case. In addition to the changes in HIPAA there have been recent changes concerning the American's With Disabilities Act (ADA), thus creating even more exposure and liability for the City to ensure that the clinical assessments being made are in line with medical protocols. Human Resources has effectively managed the program; however, with the recent changes in the federal laws governing the security and assessment of medical information provided by the employee and his/her attending physician, it is the recommendation of Human Resources to have the decisions regarding whether or not to pay a claim to be determined by medical professionals. Human Resources will continue to handle the overall process to ensure that the claims are processed in a timely manner; questions, concerns and/or issues are addressed; information and coordination with the supervisors continues; and that the earliest return to work occurs in the best interest of the employee and in effect the organization. Matrix will handle the intake and coordination of medical information and provide the City with advice regarding the duration of the benefit. The ultimate decision regarding the benefit will continue to be held by the City.

The RFP Committee awarded the life insurance benefit to ReliaStar Life Insurance Company and the short-term disability benefit to Reliance Standard Life Insurance.

Matrix Absence Management Inc. is an affiliate of Reliance Standard Life Insurance and both companies are wholly owned subsidiaries of Delphi Financial Group, Inc. Matrix Absence Management, Inc. will be responsible for carrying out the terms and conditions outlined in the City's Agreement No. HRI-953-2988 for Short Term Disability Benefits Administration with Reliance Standard Life Insurance Company.

PROPOSED MOTION: Move to pass and adopt Resolution No. 4570 – 1) Approving agreement between City of Chandler and Reliance Standard Life Insurance Company for short term disability administrative services, and 2) approving assignment of agreement to Matrix Absence Management, Inc.

RESOLUTION NO. 4570

A RESOLUTION: 1) APPROVING AGREEMENT BETWEEN CITY OF CHANDLER AND RELIANCE STANDARD LIFE INSURANCE COMPANY FOR SHORT TERM DISABILITY ADMINISTRATION SERVICES, AND 2) APPROVING ASSIGNMENT OF AGREEMENT TO MATRIX ABSENCE MANAGEMENT, INC.

WHEREAS, the City of Chandler provides short term disability benefits to its employees; and

WHEREAS, the City of Chandler desires to enter "City of Chandler Services Agreement for Short Term Disability Benefits Plan Administrative Services Agreement No.: HR1-953-2988," with Reliance Standard Life Insurance Company ("RSLI") an Illinois corporation ("Services Agreement"); and

WHEREAS, RSLI has determined that these services would be more efficiently provided by Matrix Absence Management, Inc., a Delaware corporation which is an affiliate corporation under common ownership; and

WHEREAS, the Services Agreement allows assignment of this Services Agreement upon written agreement by the City of Chandler, and the City of Chandler does not object to the assignment of the Services Agreement by RSLI to Matrix Absence Management, Inc.; and

WHEREAS, it is in the best interests of the City: 1) to approve this Services Agreement; 2) to approve the Assignment and Assumption Agreement in the form attached hereto as Ex. 1; and 3) to authorize the Mayor to execute both Agreements on behalf of the City of Chandler.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Chandler, Arizona, as follows:

1. The City Council hereby approves "City of Chandler Services Agreement for Short Term Disability Benefits Plan Administrative Services, Agreement No.: HR1-953-2988" with Reliance Standard Life Insurance Company, an Illinois corporation, and authorizes the Mayor to execute this Agreement on behalf of the City of Chandler.
2. The City Council hereby approves the form of Assignment and Assumption Agreement among Reliance Standard Life Insurance Company as assignor, Matrix Absence Management Company, as assignee, consenting to such assignment and assumption, with such changes to this form of agreement attached hereto as Ex. 1, as may be approved by the City Attorney, and authorizes the

Mayor to sign consenting to such Assignment and Assumption Agreement on behalf of the City of Chandler,

3. That the various City officers and employees be and they hereby are authorized and directed to perform all acts necessary to give effect to this Resolution.

APPROVED, PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona this ____ day of January 2012.

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:

CITY ATTORNEY

CH per

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4570 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the ____ day of _____, 2012, and that a quorum was present thereat.

City Clerk

EXHIBIT 1

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "**Agreement**") is made effective as of 1-6-12 ("**Effective Date**") by and between Reliance Standard Life Insurance Company, a corporation of the State of Illinois ("**Assignor**"), and Matrix Absence Management, Inc., a corporation of the State of Delaware ("**Assignee**").

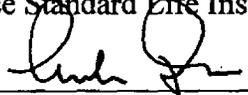
1. **Assignment.** Pursuant to that certain "City of Chandler Services Agreement for Short Term Disability Benefits Plan Administrative Services, Agreement No. HR1-953-2988" dated _____ between Reliance Standard Life Insurance Company ("**RLSI**") as Contractor and the City of Chandler, an Arizona municipal corporation, ("**City**") (the "**Service Agreement**"), **Assignor** hereby assigns, conveys, transfers and delivers unto **Assignee** and **Assignee** assumes and accepts from **Assignor** all of Contractor's rights and obligations under the Service Agreement. By its signature below, the **City** agrees to release **Assignor** from any and all of its rights and obligations arising from the Agreement in exchange for **Assignee** agreeing to assume all obligations of **Assignor** under the **Service Agreement**.

2. **Counterparts.** This Agreement may be executed in one (1) or more counterparts, and all of the counterparts shall constitute but one and the same agreement, notwithstanding that all parties hereto are not signatory to the same or original counterpart.

IN WITNESS WHEREOF, this Agreement is executed by **Assignor** and **Assignee** effective as of the Effective Date.

ASSIGNOR

Reliance Standard Life Insurance Company, a corporation of the State of Illinois

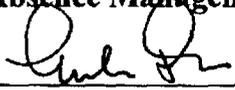
By: 

Name: _____

Its: **Charles T. Denaro**
**Vice President, Secretary and
Deputy General Counsel**

ASSIGNEE

Matrix Absence Management, Inc., a corporation of the State of Delaware

By: 
Name: Charles Denaro
Its: VICE PRESIDENT & GENERAL COUNSEL

CONSENT TO ASSIGNMENT AND ASSUMPTION

City of Chandler

By: _____
Name: _____
Its: _____

APPROVED AS TO FORM:

_____ *CH for*

CITY ATTORNEY

**CITY OF CHANDLER
SERVICES AGREEMENT
FOR SHORT TERM DISABILITY BENEFITS PLAN
ADMINISTRATIVE SERVICES**

**AGREEMENT
NO.: HR1-953-
2988**

THIS AGREEMENT is made and entered into this _____ day of _____, 2012, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and Reliance Standard Life Insurance Company, a corporation of the State of Illinois, hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR represents that CONTRACTOR has the expertise and is qualified to perform the services described in the Agreement.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

1. CONTRACT ADMINISTRATOR:

- A. **Contract Administrator.** CONTRACTOR shall act under the authority and approval of the Human Resource Director/designee (Contract Administrator), to provide the services required by this Agreement.
- B. **Key Staff.** This Contract has been awarded to CONTRACTOR based partially on the key personnel proposed to perform the services required herein. CONTRACTOR shall not change nor substitute any of these key staff for work on this Contract without prior written approval by CITY_which approval shall not be unreasonably withheld.
- C. **Sub-contractors.** During the performance of the Agreement, CONTRACTOR may engage such additional subcontractors as may be required for the timely completion of this Agreement. In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Agreement rests with CONTRACTOR.
- D. **Subcontracts.** CONTRACTOR shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of CITY. The subcontract shall incorporate by reference the terms and conditions of this Contract.

- 2. **SCOPE OF WORK:** CONTRACTOR shall provide administrative services for the City's self-funded Short Term Disability benefits plan, all as more specifically set forth in the Scope of Services, labeled Exhibit B, attached hereto and made a part hereof by reference and as set forth in the Specifications and details included therein.
- 3. **Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
- 4. **Licenses.** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by

CONTRACTOR as applicable to this contract.

5. Advertising, Publishing and Promotion of Contract. CONTRACTOR shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the CITY.
6. Compliance With Applicable Laws. CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable licenses and permit requirements.
 - A. Pursuant to the provisions of A.R.S. § 41-4401, CONTRACTOR hereby warrants to the City that CONTRACTOR and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").
 - B. A breach of Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
 - C. The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. CONTRACTOR agrees to assist the City in the conduct of any such inspections.
 - D. The City may, at its sole discretion, conduct random verifications of the employment records of CONTRACTOR and any Subcontractors to ensure compliance with Contractors Immigration Warranty. CONTRACTOR agrees to assist the City in performing any such random verification.
 - E. The provisions of this Article must be included in any contract CONTRACTOR enters into with any and all of its Subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
 - F. In accordance with A.R.S. §35-393.06, CONTRACTOR hereby certifies that the Offeror does not have scrutinized business operations in Iran.
 - G. In accordance with A.R.S. §35-391.06, CONTRACTOR hereby certifies that the Offeror does not have scrutinized business operations in Sudan.

7. ACCEPTANCE AND DOCUMENTATION: Each task shall be reviewed and approved by the Contract Administrator to determine acceptable completion.

- A. **Records.** CONTRACTOR shall retain and shall contractually require each Subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
- B. **Audit.** Upon reasonable notice, and during normal business hours, during the term of this Contract and five (5) years thereafter,

CONTRACTOR'S or any Subcontractor's books and records shall be subject to audit by the City to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, CONTRACTOR shall produce a legible copy of any or all such records.

C. **New/Current Products.** All work shall be performed in a skilled and workmanlike manner.

8. PRICE: CITY shall pay to CONTRACTOR an amount not to exceed One Hundred Five Thousand Dollars

(\$105,000.00) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Attachment C Pricing Schedule for Advise-to-Pay (Self-Funded STD) in the Best and Final Offer submission, attached hereto and made a part hereof by reference.

9. TAXES: CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of CONTRACTOR'S performance of this Agreement. The CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by CONTRACTOR.

10. Payment. A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or completion of specified services and receipt of a correct invoice.

11. Estimated Quantities. The quantities shown on Attachment C (the Pricing Schedule) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. City reserves the right to increase or decrease the quantities actually required.

12. IRS W9 Form. In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless not required by law.

13. Price Adjustment (Annual). All prices offered herein shall be firm against any increase for three (3) years from the effective date of the Contract. Contractor shall provide renewal rates to the City at least 180 days prior to the Contract anniversary date.

14. Acceptance by City. CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties. If CITY rejects the price increase, Contractor may terminate this Agreement at the end of the initial term or any renewal thereof but only upon 30 days' notice.

15. Confidentiality of Records. The Contractor shall establish and maintain procedures and controls reasonably acceptable to the City for the purpose of assuring that information or data in its possession is not mishandled, misused, released, disclosed, or used in an inappropriate manner by it, its agents, officers or employees. The Contractor shall take all reasonable steps and precautions to safeguard this information and data and shall not divulge the information or data to parties other than those needed for the performance of the duties under the Contract. The Contractor shall comply with all applicable confidentiality requirements of federal and state law.

16. TERM:

- A. The contract term is for a three year period with the option to renew for two additional one-year periods. Additionally, the contract may be extended unilaterally for a period of thirty-one days or a portion thereof.
- B. The City Manager/designee is authorized to approve and execute, on behalf of the City, any such future extensions to this Contract, on the same terms and conditions.

17. USE OF THIS CONTRACT:

- A. The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like services from another source to secure significant cost savings or when timely completion cannot be met by CONTRACTOR.
- B. **Cooperative Use of Contract.** In addition to the City of Chandler and with approval of CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at www.maricopa.gov/materials and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.
- C. **Emergency Purchases:** CITY reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by CONTRACTOR.

18. CITY'S CONTRACTUAL REMEDIES:

- A. **Right to Assurance.** If the City in good faith has reason to believe that CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Contract Administrator may demand in writing that CONTRACTOR give a written assurance of intent to perform. Failure by Contractor to provide written assurance within the number of Days specified in the demand may, at the City's option, be the basis for terminating the Contract in addition to any other rights and remedies provided by law or this Contract.
- B. **Stop Work Order.** The City may, at any time, by written order to CONTRACTOR, require Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the City after the order is delivered to CONTRACTOR. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, CONTRACTOR shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the Work covered by the order during the period of work stoppage.
- C. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, CONTRACTOR shall resume work.

The Contract Administrator shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

- D. **Non-exclusive Remedies.** The rights and the remedies of the City under this Contract are not exclusive.
- E. **Nonconforming Tender.** Services and materials supplied under this Contract shall fully comply with Contract requirements and specifications. Services or materials that do not fully comply constitute a breach of contract.
- F. **Right of Offset.** The City shall be entitled to offset against any sums due CONTRACTOR, any expenses or costs incurred by the City, or damages assessed by the City concerning CONTRACTOR'S non-conforming performance or failure to perform the Contract, including expenses to complete the work and other costs and damages incurred by CITY.

19. TERMINATION:

- A. **Termination for Convenience:** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with ninety (90) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and Subcontractors to cease such work. As compensation in full for services performed to the date of such termination, CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the Scope of Work and CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.
- B. **Termination for Cause:** City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events:
 - If CONTRACTOR fails to perform pursuant to the terms of this Agreement
 - If CONTRACTOR is adjudged a bankrupt or insolvent;
 - If CONTRACTOR makes a general assignment for the benefit of creditors;
 - If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR'S property;
 - If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
 - If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
 - Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.

20. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, CITY may cancel this Contract after Contract execution without penalty or further obligation if any

person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the City is or becomes at any time while this Contract or an extension of this Contract is in effect, an employee of or a consultant to any other party to this Contract. The cancellation shall be effective when the CONTRACTOR receives written notice of the cancellation unless the notice specifies a later time.

21. **Gratuities.** CITY may, by written notice, terminate this Contract, in whole or in part, if CITY determines that employment or a Gratuity was offered or made by CONTRACTOR or a representative of CONTRACTOR to any officer or employee of CITY for the purpose of influencing the outcome of the procurement or securing this Contract, an amendment to this Contract, or favorable treatment concerning this Contract, including the making of any determination or decision about contract performance. The CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by CONTRACTOR
22. **Suspension or Debarment.** CITY may, by written notice to CONTRACTOR, immediately terminate this Contract if CITY determines that CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that CONTRACTOR is not currently suspended or debarred. If CONTRACTOR becomes suspended or debarred, CONTRACTOR shall immediately notify CITY.
23. **Continuation of Performance Through Termination.** CONTRACTOR shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.
24. **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
25. **Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
26. **FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
27. **DISPUTE RESOLUTION:**
 - A. **Alternative Dispute Resolution.** The parties hereby agree that there shall be a sixty (60) day moratorium on litigation commencing on the day that a claim is filed by CONTRACTOR pursuant to A.R.S. § 12-821.01 during which time the parties will negotiate in good faith to resolve the dispute and evaluate the viability of pursuing alternative dispute resolution procedures such as mediation and

arbitration.

- B. **Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- C. **Jurisdiction and Venue.** The parties agree that this Agreement is made in and shall be performed in Maricopa County. Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Maricopa County in the State of Arizona, which shall have exclusive jurisdiction over such lawsuits.
- D. **Fees and Costs.** Except as otherwise agreed by the parties, the prevailing party in any adjudicated dispute relating to this Agreement is entitled to an award of reasonable attorney's fees, expert witness fees and costs including, as applicable, arbitrator fees; provided, however, that no award of attorney's fees shall exceed ten percent (10%) of the damages awarded the prevailing party unless the non-prevailing party has been determined to have acted in bad faith or in a frivolous manner during the adjudication.

28. LITIGATION AND INDEMNIFICATION:

- A. **General Indemnity.** Subject to the limitations of liability contained in Section 28-B below, each party ("Indemnitor") shall indemnify and hold the other party harmless from and against any and all claims, suits, liabilities, obligations, damages and expenses (including reasonable attorneys' fees and expenses of litigation) arising out of either Indemnitor's performance or failure to perform in accordance with the terms of this Agreement or any negligence or willful misconduct of any kind on the part of the Indemnitor. CITY or Contractor, as applicable, shall reasonably cooperate with the indemnifying party in connection with the indemnifying party's obligations under this section.
 - B. **Limitation of Liability.** Neither party shall be liable to the other for any indirect, special, incidental, exemplary, reliance or punitive or consequential damages arising out of or related to this agreement, even if advised of the possibility thereof.
- Plan Benefits Litigation.** If a demand is asserted or litigation proceedings or arbitration is commenced by a Participant or any other person to recover benefits ("Plan Benefits Litigation") against Contractor, CITY or any combination of the parties, Contractor will immediately notify CITY in writing of any potential or actual legal action or regulatory enforcement activity, which affects the Plan, or the performance of Administrative Services by Contractor. If any legal or administrative action is brought against contractor, Plan or CITY, the defense of that action will be borne by CITY at its sole cost. Contractor will cooperate with CITY in any defense of any action. In seeking any recovery under this Agreement, Contractor will not be required to take legal action on behalf of the Plan, but will consult with and defer to CITY who will have the sole discretion and authority to compromise, settle, or both, any claim for recovery by the Plan.
- Employment Litigation.** If a demand is asserted or litigation proceedings or arbitration is commenced by an employee of CITY against Contractor, CITY or any combination of the parties, the defense of that action will be borne by CITY at its sole cost. CITY agrees to hold Contractor harmless and indemnify Contractor from and against any and all claims, liability, loss, obligation, suit, judgment, damage, expenses and costs, including reasonable attorneys' fees and cost of defense, which may be asserted

against or incurred by Contractor, which arise out of or in connection with CITY's decisions about the employment status of any employee of CITY.

Responsibility for Employment Decisions. CITY is and shall remain solely responsible for all determinations of the employment status of employees of CITY, including but not limited to eligibility and qualification for leave of absence, and any extensions thereof, pursuant to CITY's employment policies. In addition, CITY shall remain solely responsible for all determinations regarding accommodations requested by employees in their employment, including without limitation extension of any leave of absence or reduced work schedules. Contractor shall direct any employee who submits such a request to Contractor to submit the request directly to the CITY and Contractor shall notify a designated person at the CITY of any such requests that it receives.

29. INSURANCE:

29.1 Insurance Representations and Requirements:

- A. CONTRACTOR, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY. All references to insurance policies and requirements for such policies contained in this Section 29 of this Agreement refer to such insurance policies CONTRACTOR is required to purchase and maintain pursuant to this Section 29, and not to insurance to be provided by CONTRACTOR as required by the Scope of Work of this Agreement.
- B. Policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager. Note that our E&O is on a claims made basis.
- C. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
- D. If any of the insurance policies are not renewed prior to expiration, payments to the CONTRACTOR may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the CONTRACTOR.
- E. All insurance policies, except Errors and Omissions, Workers' Compensation required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured's.
- F. CONTRACTOR'S insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.

- G. The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of CONTRACTOR'S acts, errors, mistakes, omissions, work or service.
- H. The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of CONTRACTOR. CONTRACTOR shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require CONTRACTOR to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will only be accepted with the permission of the Management Services Director/Designee. Note that E&O deductible is \$1,000,000
- J. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by CONTRACTOR with reasonable promptness in accordance with CONTRACTOR'S information and belief.
- K. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due CONTRACTOR until such time as CONTRACTOR shall furnish such additional security covering such claims as may be determined by the CITY.

29.2 Proof of Insurance- Certificates of Insurance

- A. Prior to commencing work or services under this Agreement, CONTRACTOR shall furnish to CITY Certificates of Insurance, issued by CONTRACTOR'S insurer(s), as evidence that policies providing the required coverage's, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
- B. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the
City of Chandler within five (5) days after the expiration date.
- C. All Certificates of Insurance shall identify the policies in effect on behalf of CONTRACTOR, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
- D. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise CONTRACTOR of any deficiencies in such policies and endorsements,

and such receipt shall not relieve CONTRACTOR from, or be deemed a waiver of CITY'S right to insist on, strict fulfillment of CONTRACTOR'S obligations under this Agreement.

29.3 Required Coverage

- A. Such insurance shall protect CONTRACTOR from claims set forth below which may arise out of or result from the operations of CONTRACTOR under this Contract and for which CONTRACTOR may be legally liable, whether such operations be by CONTRACTOR or by a Subcontractor by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.
- B. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;
- C. Claims for damages because of bodily injury, occupational sickness or disease, or death of CONTRACTOR'S employees;
- D. Claims for damages because of bodily injury, sickness or disease, or death of any person other than- CONTRACTOR'S employees;
- E. Claims for damages insured by usual personal injury liability coverage;
- F. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting there from;
- G. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "I" "any auto" policy form CA00011293 or equivalent thereof.
- H. Claims for bodily injury or property damage arising out of completed operations;
- I. Claims involving contractual liability insurance applicable to CONTRACTOR'S obligations under the Indemnification Agreement;
- J. Claims for injury or damages in connection with one's professional services;
- K. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off-loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included.

29.4 Commercial General Liability - Minimum Coverage Limits.

- A. The Commercial General Liability insurance required herein shall be written for not less than \$500,000 limits of liability. Any combination between general

liability and excess general liability alone amounting to a minimum of \$2,000,000 occurrence (or 10% per occurrence) and an aggregate of \$5,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for CONTRACTOR'S operations and products, and completed operations.

29.5 Automobile Liability

- A. CONTRACTOR shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of CONTRACTOR'S work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof).

29.6 Worker's Compensation and Employer's Liability

- A. CONTRACTOR shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CONTRACTOR'S employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit.

In case any work is subcontracted, CONTRACTOR will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of CONTRACTOR.

- 30. NOTICES:** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of CITY

Contract Administrator: Benefits Program
Management, Inc.

Supervisor
Contact: Valerie Hernandez
Mailing Address: P.O Box 4008, MS 602
Chandler, AZ 85244-4008
Phone: 480-782-2359
FAX: 480-782-2345

In the case of CONTRACTOR

Firm Name: Matrix Absence

ATTN: General Counsel
2001 Market Street, #1500
Philadelphia, PA 19103
Phone: 267-256-3500
FAX: 267-256-0650

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

31. CONFLICT OF INTEREST:

- A. **No Kickback.** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee;

and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to the CITY.

B. Kickback Termination. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONTRACTOR to any other party to the Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when written notice from CITY is received by all other parties, unless the notice specifies a later time (A.R.S. §38-511).

C. No Conflict: CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

32. GENERAL TERMS:

32.1. Ownership. All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees. Notwithstanding the preceding, work product shall not include any data, programs, processes, methods or means and such data, compilations of data, designs, discoveries, formulas, inventions, products, computer code, computer programs, software, plans, procedures, improvements, developments, drawings, specifications, memoranda, notes, reports, documents, manuals, information, and any other materials or derivatives which are proprietary to Contractor and which were the property of Contractor prior to the effective date of this Agreement, or which were developed by the Contractor subsequent to the effective date hereof outside of this Agreement, and CITY shall have no ownership interest therein.

32.2. Entire Agreement. This Agreement, including:

1. Exhibit A (Contractor Immigration Warranty);
2. Exhibit B (Scope of Services);
3. (Purposely omitted);
4. Attachment B (Questionnaire) with updated responses and Additional Answer to Question No. 86;
5. Attachment B-1, City of Chandler Schedule of Short Term Disability Benefits ("City's Policy");
6. Attachment B-2, Reliance Standard Administrative Services Short-Term

Disability Proposal;

7. Attachment C (Pricing Schedule as set forth herein); and
8. Attachment D (Nondisclosure Statement),

attached hereto, constitute the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. CONTRACTOR understands and agrees that CITY may amend City's Policy from time to time. CONTRACTOR agrees that it will implement any changes required by such amendment upon thirty (30) days' written notice of such changes to City's Policy, provided that such changes don't require substantial increases in CONTRACTOR'S duties. If the changes to City's Policy do require substantial increases in CONTRACTOR'S duties, CONTRACTOR and CITY shall meet to discuss and agree upon a reasonable deadline by which CONTRACTOR shall implement the amended City's Policy.

- 32.3. Arizona Law. This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 32.4. Assignment: Services covered by this Agreement shall not be assigned in whole or in part without the prior written consent of the CITY.
- 32.5. Amendments. The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the City -in writing or made unilaterally by CONTRACTOR are violations of the Contract. Any such changes, including unauthorized written Contract Amendments shall be void and without effect, and CONTRACTOR shall not be entitled to any claim under this Contract based on such changes.
- 32.6. Independent CONTRACTOR. CONTRACTOR under this Contract is an independent CONTRACTOR. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 32.7. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 32.8. Authority: Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 6th day of JANUARY, 2012.

FOR THE CITY OF CHANDLER

MAYOR

ATTEST:

City Clerk

Approved as to form:

City Attorney

FOR CONTRACTOR

By: 

Its: _____

Charles T. Denaro
Vice President, Secretary and
Deputy General Counsel

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 6th day of JANUARY, 2012.

FOR THE CITY OF CHANDLER

FOR CONTRACTOR

MAYOR

By: _____
Its: _____

ATTEST:

ATTEST: If Corporation

City Clerk

Secretary

Approved as to form:

City Attorney *CH for*

EXHIBIT A
CONTRACTOR IMMIGRATION WARRANTY
To Be Completed by Contractor Prior to Execution of Contract

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by Contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form Contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number:		
Name (as listed in the contract): Reliance Standard Life Insurance Company		
Street Name and Number: 4222 E. Thomas Rd. Suite 390		
City: Phoenix	State: AZ	Zip Code: 85018

I hereby attest that:

1. Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature of Contractor (Employer) or Authorized Designee:



Printed Name:

Charles T. Denaro
Vice President, Secretary and
Deputy General Counsel

Title: _____

Date (month/day/year): _____

1/6/12

EXHIBITS SCOPE OF SERVICES

Please indicate your agreement to all Scope of Services below in your submission in a specified section titled "Scope of Services". In addition, any exceptions, deviation or clarifications to your response must be fully briefly explained in the "Deviation" section of your response.

- A. The Initial rates and contract terms shall be guaranteed at minimum effective January 1, 2012 through December 31, 2012.
- B. The initial contract term shall be awarded for a three year period with the option to renew for two additional one-year periods.
- C. The Contractor shall provide detailed utilization claims experience reports for employees as specified by the City and at minimum every six months at no cost to the City.
- D. The Contractor shall provide final renewal rates and to the City at least 180 days prior to the contract anniversary date as well as any data relevant to the renewal at the request of the City at no cost to the City.
- E. The Contractor must cover all benefits from the effective date of the contract such that no employee or dependent currently insured will suffer a loss of coverage by virtue of a change in contractors other than by a change in plan design as specified by the City. No employee or dependent shall lose benefits because of transition issues from the current carrier to the awarded carrier.
- F. Commissions are not to be included in the rates submitted unless included in the carrier's filing with the State for Employer paid or Employee paid premiums. Any proposal that includes payment of commissions or any other form of remuneration shall be deemed non-responsive unless fully disclosed and approved by the City. If commissions or fees are included in the filed rates and cannot be removed from the rates provided, the level of commissions included in the proposed rates must be disclosed and noted.
- G. The Contractor must provide references as identified in the questionnaire.
- H. The Contractor must agree to provide and administer, at minimum, the current plans as specified in the City's policy documents, including but not limited to "Schedule of Short Term Disability Income Benefits," attached hereto as Ex. B-1, and incorporated herein by this reference.
- I. The Contractor shall agree to administer the short-term disability plan in accordance with the City of Chandler's in-force practices, policies and procedures as amended by mutual agreement of Contractor and City as amended by mutual agreement of Contractor and City.
- J. The Contractor must complete the offer sheet and questionnaire, including the pricing sheet.
- K. (Purposely omitted.)
- L. The Contractor will provide all Summary Plan Descriptions, and other customized communications (i.e. fliers, postcards, etc.) at no additional cost to the City. Summary Plan Description will be provided, if requested, via PDF format. A limited printing of 100 copies will be provided at no cost to the City.
- M. The Contractor will provide any professional service representatives the City requires to understand, analyze, and/or plan for any plan changes including but not limited to general account servicing, underwriting-actuarial, clinical, and/or operational support.

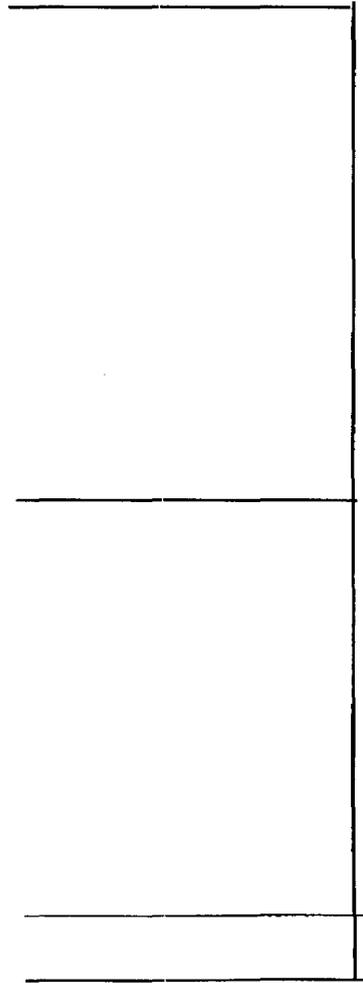
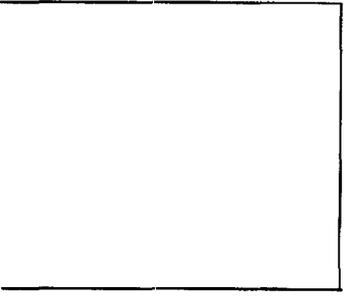
- N. The Contractor shall agree to participate in any open enrollment or special enrollment activities as specified by the City and shall provide materials and staff support as required at no additional cost to the City.
- O. The Contractor agrees, that if awarded, the City may at any time request a change in key personnel assigned to service the CITY account. In addition, should there be a change in key assigned personnel, the City will be immediately notified and replacement personnel will be replaced with personnel of substantially equal ability and qualifications as established at the time of the award.
- P. The Contractor will agree to maintain all pertinent claim records for up to seven years including claim records, individual case review and notes, and any member inquiry records as prudent business practice and provisions dictate.
- Q. The Contractor shall maintain identical eligibility requirements and continued coverage provisions as identified by the City, and as may be amended from time to time. The Contractor shall provide coverage to all eligible employees and dependents as determined by the City.
- R. -The Contractor shall provide services for members on approved leave of absence (with or without pay) provided the member continues to pay premiums according to City rules for the period of approved leave of absence, other than those that are covered under an accepted waiver of premium arrangement.
- S. (Purposely omitted)
- T. The Contractor shall notify the City within 5 business days of any change in ownership or control affecting 10% or greater interest, any acquisition by it of 10% or greater interest in any subsidiary, and any new agreement with, by or between any affiliates that is relevant to the contract.
- U. The City shall determine eligibility for benefits while the Contractor shall determine benefits payable. Contractor shall provide those services required for advice-only short term disability administration, as described in the "Reliance Standard Administrative Services Short-Term Disability Proposal", dated May 17, 2011, attached hereto as Attachment 8-2 and incorporated herein by this reference.
- V. (Purposely omitted)
- W. (Purposely omitted)
- X. Contractor must submit any special contract language with this RFP response for the City to review and finalize prior to award.

ATTACHMENT B
UPDATED RESPONSES TO QUESTIONNAIRE AND
ADDITIONAL ANSWER TO QUESTION NO. 86

City of Chandler
2011 Life Insurance Services-Attachment B
ASO STD

Currently the City of Chandler self-funds its STD program. The City is considering outsourcing the administration of the STD program, but wants to retain the payment of claims.

	Questions	Response			
75	Please briefly explain your experience in self-funded STD claims administration.	Our Proposal of Services document provided under separate cover - gives a detailed overview of our proposed plan for the City of Chandler.			
76	What are the hours of operation for the claims office that would handle the City's Self-Funded STD program?	All disability claims will be managed from our Phoenix, AZ Claim office. This office is available from 9am through 6pm MST.			
77	Do you provide live and single point of intake for disability leave/claim requests? If so, please identify your standard business hours for this service.	Live telephonic intake is available 24x7.			
78	Can you support web-based STD intake of leaves/claims on a 24/7 basis?	Yes.			
79	Will you receive initial intake information from a person other than the claimant (a family member, supervisor, human resource representative, etc.) that will, in most circumstances, be sufficient to initiate claim or leave activity?	Yes.			
80	Please describe how the client's eligibility information is provided to the claims and case management staff. Is access to current eligibility available online and in real time to both intake staff and case management staff? How does your organization handle calls from individuals for whom eligibility is not readily accessible?	In order to offer telephonic and web-based intake we will require an initial eligibility feed and periodic updates. If an individual reporting a claim does not appear on our latest eligibility file, we will complete intake and verify eligibility with the City.			Because the STD plan has a 60 day elimination period, and therefore a low incidence of claims, an alternative would be to confirm eligibility at the time of claim intake. The advantage to this approach is that it removes the need to create and maintain a scheduled eligibility data feed. The disadvantages are that it does not allow us to gather needed information during the intake process as completely as we otherwise would. We also would have less ability to customize how, and to whom, we communicate claim status with at the



617

81	<p>Will you notify the client of an employee's application for disability or leave immediately, e.g., real-time, via email or by other means established during implementation?</p>	<p>Approvals are communicated based on client requirement and may be telephonic or written. Employees may also view eAccounts at any time for claim determinations and duration approval. All adverse claim decisions are communicated in writing and with a call to the employee (except denial for elimination period not being met). The employer is typically advised of all major elements of a claim through our eCommunication instant messaging service. Listed below is a more detailed description of eCommunications. What is an eComm? "eComm" is short for electronic communications sent by Matrix Absence Management to notify Human Resources and Managers of changes in leave status for an employee. Who receives eComms? eComms can be sent out to anyone an employer designates within the employer's organization. Subscribers can elect to have an eComm distributed in any manner. For example, Benefits may want to receive all types eComms while Payroll may want to receive only Approved and Return to Work notices. Also, recipients can be set up per type of leave i.e., one group may want to receive the WC (Workers' Compensation) eComms and another group may want to receive the STD (Short Term Disability) eComms. When are eComms sent? eComms are sent out when the status of a claim changes. Generally the New Claim Notice will be the first notice sent, for a newly reported claim; subsequent eComms will be sent for Delayed, Denied or Approved statuses. MD Day 10 is sent to indicate that the medical certification has not been received as of Day 10 of the claim. An Amended or Extension eComm will be sent if the original RTW (return to work) date or other information has changed. The Transition eComm indicates that the Leave Type will change from WC (Workers' Comp) to STD (Short Term Disability), or STD (Short Term Disability) to Leave (FMLA, Military, or Personal), etc.</p>			
82	<p>Will you provide a "hosted" or "warm" transfer to other vendor partners or to a designated client resource during normal business hours under special circumstances? Example: transfer to EAP program for a distraught employee.</p>	<p>Yes.</p>			

83	Please briefly describe the capabilities of the personnel who perform intake functions related to disability. Are they trained to answer client-specific benefit questions?	The personnel go through a rigorous training program of over 3 months with on the job and classroom training. This is then followed by a 9 month mentoring program. The personnel are trained to answer client specific benefit questions. We welcome you to come for a tour of our Phoenix Claims office.			includes modules on all aspects of the intake process. Customer service skills, use of our intake system and reference tools, benefit program training, and client culture training. We do not have specific designations applicable to this function. Each intake specialist is trained to effectively deliver on three main objectives for each call. 1. To gather as much information as possible in order to get the STD approval process started promptly. 2. To establish a positive "first interaction" with the employee. 3. To clearly set expectations so the employee knows next steps and what, if any, their responsibilities are.
84	Please briefly describe your method of triage and assignment of disability cases for clinical management. Include in your description the protocols on which this process is based, e.g., presenting diagnosis, surgical procedure, co-morbid conditions, etc.	Immediately following intake, the claim is sent to the client's dedicated claim team. This feature of real time distribution is built into the programming to ensure timely and accurate distribution. Our claim process is generally a paperless environment; therefore, our system also triages claims so those requiring medical certification are routed simultaneously to our medical unit. At that point, a nurse case manager or medical assistant contacts the attending physician's office telephonically to obtain needed medical information, while the claim examiner makes the disability determination. With the exception of some managed care organizations, we have had a very high success rate in obtaining this information in a short time. In most cases, we are able to make a claim determination based upon verbal verification of the medical information. Clients are typically assigned a designated team that includes a nurse case manager, disability examiners (both short and long term), and leave administrator(s). Following the intake interview, the leave information is reviewed by the medical and claims staff. Contacts to the physician begin on "day one." We also review any information related to the employee's physical and cognitive job demands			

to assist in determination of return to work opportunities and disability. In addition to this initial review of the disabling condition, Matrix uses an automated review system that continues to monitor claims based on duration and complexity. Should a claim meet specific claim or client criteria, the claim is automatically flagged for attention by the examiner and nurse. This automated back up to our nurse intervention following intake is based on industry standard durations. A task is set for the examiner and the nurse at initial certification and with any extension where the duration indicated by the health care provider is beyond that anticipated per the Official Disability Guidelines median durations. The claims examiner and nurse also factor in the physical and cognitive job demands and the client's return to work program to determine the functional ability of the employee to safely return to work -with our without restrictions and limitations. Claims are referred to the nurse case manager and/or medical directors based on claim criteria meeting the point of escalation. Our claim staff may also make referrals based on their own knowledge of the employee and the facts surrounding the disability event. Our formal medical referral and escalation process, in addition to day one intervention, includes criteria such as: No objective medical findings to support a diagnosis or need to be off work; Conflicting diagnoses, work status and recommendations from several physicians; Multiple diagnoses or those cases where there may be issues of inadequate treatment; The employee is objecting to the decisions made by an examiner or nurse case manager. One of the advantages of our integrated approach is the fact that the employee interfaces with only one designated claim team for workers' compensation, FMLA, STD and LTD claims. When an STD claim approaches the completion of the LTD elimination period, our system generates a report. This triggers an action resulting in a client-specific LTD claim information package being sent to the employee. The employee receives all appropriate material (including leave extension information at the client's direction) to ensure a smooth transition. The employee confirms his/her desire to file by signing applicable documents and returning the material in a self addressed stamped envelope. The claims examiner assigned to the client then handles the LTD claim as an integrated claim.

85 | What are your disability duration guidelines, clinical care pathways, return-to-work protocols, and/or large case management requirements?

In addition to our claims management standards, our Duration Review System reviews all new and extended disability claims for appropriate duration. A claim examiner makes the claim determination. Nurse case managers do not make disability determinations. Examiners and nurses use as our primary source the Work Loss Data Institute Official Disability Guidelines and also MD Guidelines for initial and ongoing analysis of appropriate duration. We then look into co-morbidities, job demands and other extenuating factors.

86 | To what extent do physician advisors participate in the development of your disability duration guidelines, clinical care pathways, return-to-work protocols, and/or large case management requirements?

Physician Advisors are provided by a Third Party on the behalf of all eligible claimants.

We contract with a variety of physician advisor organizations to allow all needed specialties to be addressed and all geographic areas to be covered. We have embedded below our RIW and clinical escalation process which provides details on how we apply clinical resources.

87 | Please describe the type of staff who are employed by your organization to manage disability cases.

Are they RNs, LCSWs or other paraprofessionals?

All Nurse Case Managers are RN's

Do you actively use physician reviewers?

Yes.

At what point in the case do you involve vocational or rehabilitation specialists if appropriate to the case?

At the mid-point of the LTD elimination period all claims are reviewed for rehab potential.

88 | Please describe your method of establishing and documenting a plan or program of management for a case.

Processes and tasks are all documented in claim notes. Leave of absence, STD and LTD claim analysts, and all nurses have access to the same claim system, thus allowing them to share notes and claim activity. Tasks are assigned to individuals and must be completed by those individuals or the back up identified for absences. Task oversight is done by daily supervision and followed up by audit.

Examiners are assigned to a work cell and all members of the work cell can view one another's tasks. Overdue tasks are indicated in red in the work cell. Supervisors/managers monitor the work cell for overdue tasks for their employees. The creation and completion of tasks are recorded in the audit trail and is subject to audit.

89 | How often is proof of disability required?

All claims are evaluated on their own merits.

C:\L
Deskt

90	Please describe how independent medical evaluations (IME) and functional capacity evaluations (FCE) are handled. Do you have your own network of providers or do you lease the services?	IME An Independent Medical Examination (IME) is used when there is a dispute or disagreement as to whether or not the person is disabled from performing his or her job functions or there is concern about appropriate medical care that would expedite and facilitate recovery, or in the case of ASO programs at Client request. Triggers would include excessive duration, repeated extensions, specific diagnoses, and lack of objective medical evidence. FCEA Functional Capacity Evaluation (FCE) is conducted when there are issues or concerns about the physical capabilities of an individual when returning to alternate or modified positions. NPTA NeuroPsych Test (NPT) is conducted when there are issues of accommodation related to cognitive impairment. These can be initiated for such conditions as stroke, neurological complications with HIV, etc.
91	When does early intervention occur?	At the onset of claim
92	Can you assist the claimant in filing a claim with either ASRS or Anthem Life (Public Safety) for long-term disability benefits?	No, as we are not familiar with their benefits
93	Do you have a formal return to work program?	Yes.
94	Is the corporate culture of the employer, as well as its industry, taken into consideration in determining the appropriateness of return to work efforts?	Yes.
95	What credentials and experience do you require of your return to work program resources? Are these resources employed by your organization or do you contract for their services? Please explain in detail.	Not applicable to a self-funded STD program.

<p>We can set up a diary for all open STD claims that will notify the appropriate individual at either the City or a contact at the LTD carrier. We would typically do this at one half way through the LTD elimination period, assuming the STD claim is still open. The HR or carrier contact would then initiate the LTD claim process.</p>
<p>Our claims examiner, in partnership with a nurse case manager, is responsible for RTW. Our approach would be to work with the City, the employee and their physician to understand job requirements vs. restrictions in order to assess the ability of the employee to return to work in some capacity.</p>

96	Do you continue to monitor modified duty placements until the employee returns to full duty or other permanent arrangements are made?	Not applicable to a self funded STD program.
97	Please describe your recommended approach for coordination with the client's internal integrated disability management team.	We recommend a consultative strategy meeting prior to the policy effective date so that all needs are met and accounted for.
98	Please provide book of business results from the last three years for your return to work program.	Information is propriety, we can provide more information if chosen as finalists.
99	When determining appropriateness for a disability, which of the following do you rely upon?	
	Internal proprietary guidelines	
	Official Disability Guidelines	X
	Medical Disability Advisor guidelines	X
100	Will you, based on medical information provided, immediately bring to the client's attention (and provide summary of problem with impact, alternatives, etc.) any potential issue around ADA/FEHA, FMLA (State and Federal) that may arise during management of a case?	Yes

We continue to monitor the employee's status as long as they are still on claim. When their claim is closed, we do not monitor further.

Because of the variety of factors impacting R1W success, we do not capture statistics in this area for general reporting purposes. However, we can provide narrative results to the City on a claim by claim basis. A key issue affecting results is the employer's ability to take employees back on a restricted basis. We would be happy to discuss in more detail how the City would work with us in this area and what results should be expected.

101	Please outline your employee appeal procedures if a claim is denied.	For an insured arrangement, Reliance Standard handles the appeal process, since they are the designated claim fiduciary. The insurance Plan outlines the rights of the employee under ERISA and Reliance Standard conducts the appeal process accordingly. For ASO arrangements, we will: Prepare a copy of the claim file we have in our possession - Request additional information (e.g., copies of additional medical records, medical reports, analyses, etc.)- Summarize or prepare a chronology of the file For ASO programs where the client has asked us to assume the claim fiduciary for appeals, the claim appeal process is as follows: Matrix reviews the appeal as a de novo review. Matrix reaches out to the client, the employee and all identified providers to clarify any issues as needed and obtain any missing medical information. Matrix will obtain medical reviews and review the appeal to uphold, modify or set aside the original decision based on the plan requirements and the information in the file. The Matrix medical director, IME's or other peer reviews may be consulted as needed on a case-by-case basis. The employee will be sent a decision letter that clearly outlines on what basis the decision was made. The letter will include appropriate plan language. The client will be advised of the decision.			
102	Please briefly describe the type of standard communications materials you provide to employees in conjunction with disability and/or FMLA.	A leave package of included leave policy and all necessary applications materials required including required forms. Packets can be further customized at the discretion of the City to include all pertinent information			
103	Will you customize your communications materials for the client? Is there an additional fee for customization?	Yes, this is included.			
104	Are you able to withhold the appropriate amounts for:				
	Income taxes	Yes.			
	FICA	Yes.			
	FUTA	No.			
	Contributions for employee benefits on a pre-tax basis	Yes.			
	Contributions for employee benefits on a post-tax basis	Yes.			
	Contributions for 401(k)/ 403(b)	No.			
	401(k) loan payment deductions	No.			
105	Do you charge for deductions and withholding services?	Available.			
106	Do you require completion of a W-4 with each STD claim?	No.			
107	Do you provide the employee and the employer with online access to paystubs- current and historical?	N/A- ASO coverage requested			
108	What kind of documentation of withholdings services do you offer?	N/A- ASO coverage requested			
109	Do you prepare and distribute W-2 forms to employees on disability?	Yes			
110	Do you charge for any services associated with providing W-2 forms?	No charge, included in costs			
111	Which of the following disability outcome measures do you track and report?				
	Number of incidents of disability	Yes.			
	Number of days lost to disability	Yes.			
	Cause of disability	Yes.			
	Diagnosis related to disability	Yes.			

	Cost offsets	Yes.		
	Social Security benefits	Yes.		
	Workers' compensation	Yes.		
	Insurance subrogation	Yes.		
	Pension offset	Yes.		
	Other - please specify	Yes.		
	Cost of	Yes.		
	Individual medical evaluation (IME)	Yes.		
	Functional capability evaluation (FCE)	Yes.		
	Claims by location	Yes.		
	Claims by employee type	Yes.		
	Claims by employee gender	Yes.		
	Claims by employee age	Yes.		
	Claims by diagnosis	Yes.		
	Other- please specify			
112	Please indicate the type of comparisons your disability reports provide			
	Current year to prior year	Yes.		
	Current year to book of business	Yes.		
	Current year to industry average	Yes.		
113	Please list all claims data elements that are accessible for ad hoc reporting.	Customers have access to our web-based reporting tool called eServices. The reporting compcinent(s) of eServices are our eReports and eReports Designer applications, which together provide our shared clients regularly scheduled and ad hoc reporting functionality via our secure web site. eServices is updated daily to ensure clients have the most up to date information available to them. eServices is easily accessible through: www.matrixeservices.com. eReports-Matrix has developed a new reporting application to further enhance the information available to our clients. This implementation supports our corporate goals of "a paperless environment" and "Accessibility to Information for our Clients.". eReports Designer-Ad-hoc reporting function that allows clients to create a report with point, click and drag technology. Very user-friendly system that allows clients to create reports using any "hard coded element" captured in the claim system. eServices provides client access to disability and Leave of Absence data. We have defined a suite of industry standard reports, which can be run on demand, or on a schedule, by each individual user.Through eReports clients have access to a wide variety of claim and leave related data, which allows users to perform a range of business functions including bank account reconciliation, claims experience and performance, loss analysis, and intermittent leave tracking. This information is available via the Internet and has been engineered to ensure an intuitive user experience, with single sign-on from our eServices application. All reports can be output in a variety of formats including PDF and Excel.Reports are on-line and can be electronically generated on an as needed basis using the most up to date information available. Also, users can schedule times when these reports are "pushed" to them and delivered in a variety of formats via email.Reports that require complex logic, scheduling, distribution or data encryption will be custom developed. The report specification will be produced by Matrix / Reliance Standard in conjunction with client representatives.		
114	Please indicate which detailed exoerience reports you can ovide. Aggregate data			
	reports	X		
	Annual financial accounting reports	X		
	Quarterly claimant data reports	X		
	Claims status reports	X		
	Other- please specify			
115	Does your organization have the ability to provide the client with web-based management reporting for both standard and ad hoc reporting?	Yes.		

116	If you can provide the client with web-based access to management reporting, is there a separate fee for this service?	No - it is included.
117	Will you provide performance guarantees on turnaround time, dollar accuracy and procedural accuracy?	No
118	Please provide your claim timeliness and accuracy targets and the most recent claims performance metrics for the office assigned to this account.	Information can be provided if chosen as finalist
	Percentage of claims processed within 5 days	
	Target percentage	60%
	Actual percentage	65%
	Percentage of claims processed within 10 days	
	Target percentage	85%
	Actual percentage	90%
	Percentage of claims paid at the correct amount	
	Target percentage	99.50%
	Actual percentage	99.80%
	Percentage of claims adjudicated without error	
	Target percentage	99.50%
Actual percentage	99.60%	
119	At what intervals are financial and claim payment accuracy tracked and reported?	Thorough case administration and management is ensured through our internal quality review processes. All members of a client's claim team will participate in one-on-one feedback sessions with their managers each month to discuss their performance. These meetings will include results of claims audits, feedback from surveys and input from live and recorded call monitoring. Formal evaluations are completed annually.
120	Please provide your telephone response targets and your most recent call center metrics for the office assigned this account.	
	Percentage of calls answered	
	Target	90%
	Actual	91%
	Within number of seconds	
	Target	30 seconds
	Actual	30 seconds
	Call abandonment rate	
Target	-5%	
Actual	4%	

121	What additional claims and customer service metrics do you use to measure performance?	<p>The Quality Assurance Review Program is designed to support the delivery of timely, accurate, efficient and courteous claim service. Results of the quality assurance reviews are used to evaluate performance, identify training needs, assess workloads, spot trends, recognize client servicing opportunities and to target areas that would benefit from the development of process improvements. The Matrix Standards and Best Practices provide the basis for measuring the quality of the claims services that we deliver to our clients. Compliance with these standards is enforced in two ways. On a national level, members of the Quality Assurance Team for disability and workers compensation are charged with overseeing office performance through frequent monitoring of various quality assurance and workload reports, coordinating internal and external audits, and carrying out random claim file and office operations reviews. These reviews may be specific to processes targeted for improvement, conducted to measure compliance with client specific service requirements including performance guarantees, or more generally to measure office adherence to Matrix's standards. Operational Reviews At the corporate level, random audits of office operations are conducted by, or under guidance of, the quality assurance group. These annual reviews evaluate an office's overall performance with respect to standard workflow controls, processes and claim management practices as defined by the Matrix Standards and Best Practices. Results of these reviews are reported to the President. At the office level, each integrated claim manager or delegated integrated claims supervisor or senior integrated claims examiner is responsible for reviewing office and individual performance against these standards and guidelines and taking corrective action when needed to improve performance. Supervisory Files Reviews in order to monitor office and individual performance and provide immediate corrective action at the claims level when required, managers and supervisors are required to conduct regular reviews of files managed by subordinate claims examiners. Supervisory personnel review files and record their findings in the claim system notes with respect to the claim examiner's adherence to published standards as well as provide directions for continued handling when applicable. Supervisor or managers will conduct claim audits using the online forms. Three files from each examiner on their team will be reviewed per month. These audited files are reviewed with the examiners.</p>	
122	Will you conduct satisfaction survey and provide summary results to the client? Would results be client-specific, or based on your book of business?	Yes: Results will typically be client specific.	
123	Will you allow auditing of your operations as they relate to the administration and servicing of this account?	Yes.	
124	Is there an additional charge for services rendered in conjunction with an audit?	No.	
125	If problems are discovered, will follow-up audits be provided by your organization?	Yes.	
126	Please briefly describe your abuse prevention services.	Frequent Flye(s) are flagged in the system	
127	Do you routinely conduct retrospective audits of closed cases? If yes, please provide details.	15% of all open claims are randomly audited. Claims are selected and audited randomly. Both open and closed claims are reviewed.	
128	<p>The client would like to include the following services in the self-funded STD fee. Please indicate whether your company agrees to include each service, as well as the variance that would cause additional fees.</p> <p>Independent medical exams</p> <p>Included in fees (yes/no)</p> <p>Cost if not included</p> <p>Additional cost for variance from assumptions</p> <p>Travel expenses your organization</p>	<p>No</p> <p>varies</p>	

	incurs	
	Included in fees (yes/no)	Yes.
	Cost if not included	
	Additional cost for variance from assumptions	
	Standard reports (all)	
	Included in fees (yes/no)	Yes.
	Cost if not included	
	Additional cost for variance from assumptions	
	Ad hoc reports (12 per year)	
	Included in fees (yes/no)	Yes- using eReports Designer.
	Cost if not included	
	Additional cost for variance from assumptions	
	Clinical management	
	Included in fees (yes/no)	Yes.
	Cost if not included	
	Additional cost for variance from assumptions	
	Payment services	
	Included in fees (yes/no)	No
	Cost if not included	add'l. 10 PEPM and any applicable banking fees.
	Additional cost for variance from assumptions	
	Vocational rehabilitation	
	Included in fees (yes/no)	No
	Cost if not included	
	Additional cost for variance from assumptions	
128	Litigation specialists	
	Included in fees (yes/no)	No.
	Cost if not included	varies
	Additional cost for variance from assumptions	
	IME, FCE services	
	Included in fees (yes/no)	No.
	Cost if not included	At cost
	Additional cost for variance from assumptions	
	Administration of statutory benefit plans	NA
	Included in fees (yes/no)	
	Cost if not included	
	Additional cost for variance from assumptions	
	Fiduciary responsibility	
	Included in fees (yes/no)	No.
	Cost if not included	Exception basis only
	Additional cost for variance from	

assumptions	
Overpayment recovery services	
Included in fees (yes/no)	No.
Cost if not included	
Additional cost for variance from assumptions	
Social Security advocacy	
Included in fees (yes/no)	No.
Cost if not included	At cost
Additional cost for variance from assumptions	
Fraud investigative services	
Included in fees (yes/no)	No.
Cost if not included	At cost.
Additional cost for variance from assumptions	
FMLA advice to pay	
Included in fees (yes/no)	No
Cost if not included	Priced separately
Additional cost for variance from assumptions	
Other please specify	
Included in fees (yes/no)	
Cost if not included	
Additional cost for variance from assumptions	

Attachment B

Additional Answer to Question No. 86 RTW / RN Case Management Overview

Matrix Absence Management, Inc.
Medical Services

Return to Work Services

The Matrix Return to Work Services Program is designed to facilitate a disabled employee's return to work. Return to work can be accomplished by having the employee return to:

- his or her usual and customary position which has been modified on a temporary or permanent basis to accommodate reasonable restrictions and limitations on activity
- a transitional or temporary work assignment while the employee continues his or her recovery
- an alternative position with the employer

In collaboration with the claims examiner and leave coordinators, the nurse case manager:

- Records claims review and identifies Early Return to Work/Stay at Work candidates
- Physician dialog:
 - to set the stage for collaboration between nurse case manager and provider on reasonable disability duration and restrictions & limitations
 - collaborate with the physician on specific Return to Work accommodations available to the claimant as provided by the employer, SIC/NAICS/DOT job information ,and
 - to address issues directly with the provider where there is little to no clinical support for disability or for the restrictions and limitations imposed by the treating provider
- Employee contact to establish rapport and trust
 - investigate personal circumstances and identify non-work related barriers to return to work
 - As an outgrowth of the relationship established with the employee nurse case manager assists in timely access to Employee Assistance Programs and Wellness Programs provided by the employer or the group health plan
- Escalation to Medical Director,
 - if treating physician will not provide restrictions or they appear unreasonable
 - questions of medical supporting a disability
 - Peer to Peer communication by a medical director to the treating physician(s)

Attachment 8

Additional Answer to Question No. 86

RTW / RN Case Management Overview

- Completion of a Job Analysis which might include a job-site visit, review job for possible accommodations and the development of a job analysis data bank for the Employer
- Ongoing Physician dialog:
 - communicating job requirements or employees own or available transitional work,
 - For work injury claims: attending appointments with MD and employee (or arranging such through a vendor), and
 - securing MD agreement for return to work
- Identifying with employers and physicians, those claims where employment relationship, job performance or secondary gain issues are impacting the claim outcome
- Ongoing Employer dialog:
 - status of restrictions,
 - return to work options
- Research /Identify accommodations /adaptive equipment
- Track and document the accommodations made
- Monitor the claimant's progress during the period of restrictions
- Assess effectiveness of recommended equipment / accommodations made
- Return to Work monitoring (to ensure success)
- For work injury management: facilitating MMI (maximal medical improvement) or P & S (permanent and stationary) where medical improvement plateau has been reached

Duration Review/Clinical Management

Complex Claims:

Nurse case management is an integral part of claims management at Matrix. To identify claims at the earliest potential impact point, criteria was established which requires a nurse case management referral from point of Intake (Complex Claims) to the account dedicated nurse(s). Criteria are customized according to client claims experience and culture values; includes conditions recognized by Matrix as lacking specific expectations of time-loss disability. These conditions/diagnoses include, but are not limited to:

- Self Reported illness and Subjective Complaints,
- Certain Neurologic conditions and Fibromyalgia
- Mental/Nervous disorders
- Chronic Fatigue
- Recurrent periods of disability
- Any condition of particular concern to the employer or with unusual claims experience

Non-complex Claims:

Attachment B

Additional Answer to Question No. 86 RTW / RN Case Management Overview

Nurse case management may become involved with non-complex claims under certain circumstances and will be referred by the claims examiner to the assigned/dedicated nurse(s):

- modified/alternate duty of more than 30 days,
- employment less than a year,
- repetitive motion injuries, injuries to multiple body parts,
- employee with multiple claims, non-compliance with care
- certifications for extensions of disability when facts of the case do not appear to support extension

On the nurse's receipt of the assignment the following will be done:

- Review all medicals
- Contact employee
 - obtain thorough history and psychosocial assessment,
 - health assessment, self evaluation of health,
 - identify resources: EAP. Group Health programs, specialist referral opportunities
 - establish RTW plan
 - co-morbid condition impact on the claim
- Contact treating provider- obtain current status and treatment plan
- Recommendation of referral to specialist, if appropriate
- Recommend ergonomic evaluation per client protocol if indicated
- Document review and outline a plan of action in the claims file:
 - Reporting reflective of all relevant contacts (employee, provider, employer contact)
 - Interprets medical information concisely
 - Applies the medical information to a reasonable plan of action
 - RTW expectations
 - Function abilities
 - Appropriate duration of disability opinion based on medical facts of the claim
 - Updates proactively at key points in claim
- NCM keeps the examiner and employer contact informed of changes in condition, progress toward RTW, and changes in restrictions & limitations

Medical Directors:

Matrix Absence Management, Inc. Medical Services includes 2 Medical Directors who are physicians (MD) A board certified Occupational and Environmental Medicine specialist and an board certified Psychiatrist are at the head of this program, with a panel of specialists in neurology, cardiology, and orthopedics available. The medical directors are in private practice and are available for referrals from nurse case

Attachment B

Additional Answer to Question No. 86

RTW / RN Case Management Overview

managers on all business days. Medical directors and nurses staff selected claims in twice weekly rounds.

Claims are brought via Nurse Case Manager to the Medical Director under the following circumstances:

- Claims examiner or employer request for medical director review
- Objectively based diagnoses:
 1. Dual disabling diagnoses
 2. Additional diagnoses added after 30 days from the date of disability or on extension
 3. Restrictions/limitations that are not consistent with disabling diagnosis
 4. A disability based on a chronic condition without precipitating factors/what has changed to make the diagnosis disabling at this time?
 5. Questionable diagnosis inconsistent with available medical records. Any diagnoses not generally accepted as disabling
 6. Initial and extension durations of disability specified by disabling providers in excess of actuarial based optimal recovery times
- Subjective complaint based claims of disability:
 1. Symptoms and subjective complaints without a clear diagnosis that are certified by the primary treating physician for a prolonged disability (greater than 30 days)
 2. All claims with disabling diagnoses of: Chronic Fatigue, Fibromyalgia, Myofascial Pain Syndrome, Hypoglycemia, Chronic Pain which the nurse cannot resolve within 30 days of the date of disability
- Behavioral Health (in collaboration with psychiatric nurse specialists)
 1. Anxiety Diagnosis greater than 30 days in duration.
 2. Depression Diagnosis greater than 60 days in duration.
 3. Referral to the medical director in 30 days if there is no clear diagnosis, treatment plan, or reasonable RTW plan.
 4. Grief Reaction Diagnosis greater than 14 days in duration.
 5. Any other Serious Psychiatric Disorder, Personality or Adjustment Disorder diagnoses to be staffed with Medical Director early in claim life.

For all claims regardless of category, to be referred for Medical Director review as follows:

- Inappropriate disabling provider for identified disabling diagnosis where NCM cannot negotiate a change in treating provider
- Treatment goals are not met in a timely manner

Attachment B

Additional Answer to Question No. 86

RTW / RN Case Management Overview

- Treatment plan lacking reasonable intensity or frequency of service commensurate with a period of lost time disability
- Restrictions and limitations not consistent with the clinical findings, which themselves have the effect of disabling a claimant
- Concerns noted by the claims examiner and/or employer requesting medical director review. This may apply to situations where an IME is considered, to mitigate the need for the IME
- For employees who have returned-to-work to a temporary transitional job, who are not full duty within six weeks or there is no full duty plan in place after the NCM best efforts
- Travel restrictions
- Off shift restrictions; that is restrictions and limitation that call for a change in shift or position change

Reporting:

The dedicated nurse(s) on the account will run a report monthly to show RTW savings on claims in which they were involved. This report compares the initially certified duration of disability per the treating provider (including extensions) and the actual duration until a RTW was accomplished.

Client Specific Customization:

Matrix Absence Management, Inc. Medical Services provides a basic platform which lends itself well to customization built on the basics of sound claims management. Early nurse case management referrals are facilitated by a dedicated medical services team which includes a nurse or nurses, medical assistant and inclusion in the specialty medical director escalation program. It may be possible to physically locate these team members with the claims and LOA staff; although through electronic communication and documentation means, it is not essential to have physical proximity to provide effective claims administration. Several nurses are telecommuters facilitated by our ability to electronically document and communicate.

Matrix Medical Services has nursing staff in San Jose, California who are expert in that States Workers' Compensation and Voluntary Plan; nurses in the Hawthorn, NY office, Austin, TX (familiar with TX state disability and WC) and in Phoenix, Arizona. Some Phoenix nurses are also well versed in California WC and VP. Medical services include two nurses who are psychiatric nurse specialists. These nurses are assigned to cases based on specific criteria (subject to specifications of the client) and for consultation and referral to all nurses in Medical Services. The average experience level in disability management is 12 years. Additional staff is hired on the basis of disability or workers'

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Additional Answer to Question No. 86
RTW / RN Case Management Overview

compensation experience or transferable skills. Each nurse case manager undergoes a comprehensive orientation period at hire. Additional training is required to orient nurses to specific client cultural and plan provision needs.

ATTACHMENT B-1
CITY OF CHANDLER SCHEDULE OF SHORT TERM
DISABILITY BENEFITS

SCHEDULE OF SHORT TERM DISABILITY INCOME BENEFITS

Short Term Disability (STD) coverage provides income benefits to replace a portion of lost earnings for covered Members who are unable to work as a result of a non-work related disability. The purpose of STD coverage is to help ease income problems caused by a period of total disability. Employees who become totally disabled due to a nonoccupational injury, accidental injury, or illness are eligible to receive short term disability benefits on the 60th consecutive day of the disability.

SUMMARY OF BENEFITS

Benefit Percentage	66 2/3% of base income
Maximum Benefit Duration	121 Days
Elimination Period	59 days after eligibility date
Maximum Salary Covered	All salaries are covered

ELIGIBILITY

Benefit coverage is effective on the first day of the month following one full calendar month of employment for regular employees working 20 hours or more per week. Coverage is also contingent upon the employee being designated a Member and meeting the Active Work Requirement.

A Member is defined as:

- a) An active employee of the City of Chandler, other than a temporary or seasonal employee;
- b) Able to perform the essential duties of their job classification; and
- c) Regularly scheduled to work at least 20 hours each week.

To meet the Active Work Requirement, a Member must have completed one full day of active work for the City of Chandler. If an individual is disabled on the date of Eligibility as defined above, then the effective date of STD coverage will be delayed until the day after one full day of active work has been completed.

DEFINITION OF TOTAL DISABILITY

This program defines disability as a condition that prevents the employee from performing the essential duties of their job classification.

ELIMINATION PERIOD

The elimination period for STD means the length of time the employee must be continuously totally disabled before STD Benefits become payable.

AMOUNT OF STD BENEFIT

The amount of the STD Benefit is 66 2/3% of bi-weekly earnings. The benefit will be reduced by any amount the employee receives or is eligible to receive because of the disability under a Worker's Compensation Act or similar law in connection to an employer other than the City of Chandler. This reduction will include amounts for partial or total disability, whether permanent or temporary, and includes any amount received by compromise or settlement of the claim. This does not include any other private insurance policy available through a non-City source.

Weekly earnings means the employee's weekly base rate of earnings from the City of Chandler excluding bonuses, overtime pay, assignment pay(s) and any extra compensation as of the beginning date of disability.

Once the employee qualifies for benefits, sick leave MAY NOT be used to make up any difference between STD Benefits and normal net take home pay. (See City of Chandler Personnel Rule 15, Section 11.1) Employees are eligible to use sick leave during a period of disability only if they are not drawing STD disability benefits. All sick leave must be exhausted prior to receiving STD Benefits.

Employees may use vacation leave or compensatory time when receiving STD Benefits. This time may be used only to the extent that total compensation does not exceed normal net take home pay.

MAXIMUM BENEFIT PERIOD

Maximum Benefit Period means the longest period of time for which STD Benefits are payable to any one period of continuous total disability, whether from one or more causes.

The Maximum Benefit Period for City of Chandler employees is 121 days.

The Maximum Benefit Period begins at the end of the Elimination Period. STD Benefits will stop at death or at any time during the Maximum Benefit Period when the employee no longer qualifies for STD Benefits. STD Benefits will stop at the end of the Maximum Benefit Period even if the employee is still totally disabled.

TEMPORARY RECOVERY DURING THE MAXIMUM BENEFIT PERIOD

After STD Benefits become payable, a period of temporary recovery from total disability will have the following effect: For purposes of continuing STD Benefits during the Maximum Benefit Period, any two periods of total disability from the same cause or causes will be added together. If the employee returns to work for less than 10 days, this will be treated as one period of continuous total disability. Thus, a new Elimination Period will not be required and the amount of benefit will not change. The Maximum Benefit Period will be the balance of the original 121 days minus the days used by the employee before he/she returned to work.

No STD Benefits will be payable under this provision after benefits become payable under another group disability insurance policy. This rule prevents double coverage if the employee becomes insured under another policy while working during a period of temporary recovery. This rule does not apply to any private insurance from non-City source.

PAYMENTS OF BENEFITS

All STD Benefits will be paid directly to the employee. If the employee should die and any STD Benefits remain unpaid, the benefits will be paid to the employee's estate.

FILING A CLAIM

All claims for STD Benefits should be submitted on City of Chandler claim forms. The employee should obtain a claim form from the Human Resources Division. This form must be completed by the employee and the employee's physician. Once the physician and employee have completed the form, it should be returned to Human Resources. Human Resources will complete its portion of the form and obtain any other documents that may be reasonably required to finalize determination.

The City of Chandler will require the employee to submit to a medical examination by the City's contracted medical doctor at the City's expense before the STD Benefit will be approved. If the City's medical doctor agrees with the employee's personal physician, the claim will be approved and benefits paid. In the event that the city's medical doctor does not agree with the employee's personal physician, benefits will not be paid. A third opinion may be obtained from a medical doctor agreeable to both parties at the City's expense. If the third opinion finds that the employee is disabled, benefits will be paid. If the third opinion finds that the employee is not disabled, benefits will not be paid. The results of the third opinion will be binding and final.

The City of Chandler will also require the employee to submit additional documentation of the disability claim not at the City's expense at reasonable intervals while the employee is receiving STD Benefits.

PROOF OF DISABILITY

Proof of each of the following elements for proof of disability must be provided to the City of Chandler not at the City's expense. No STD Benefits will be paid until the City of Chandler receives satisfactory written proof:

- a) That the employee became totally disabled while covered under the group program.
- b) That the employee was totally disabled throughout the Elimination Period and the period for which STD benefits were claimed.
- c) That the employee's total disability results from a cause not excluded in this program.
- d) That the employee is being seen regularly and treated by a physician.
- e) Of additional information that may be requested in connection with the claim for STD Benefits.

If the claim is approved, no STD Benefits will be continued beyond the end of the period for which the employee has provided satisfactory written proof of disability.

EXCLUSIONS AND LIMITATIONS

The plan will not provide benefits or has established limitations for the items listed in this section.

RISKS NOT COVERED

- a) **WAR:** The employee is not covered for a disability caused or contributed to by war or any act of war. WAR means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.
- b) **INTENTIONALLY SELF-INFLICTED INJURY:** The employee is not covered for a disability caused or contributed to by an intentionally self-inflicted injury.

LIMITATIONS

- a) **ELIMINATION PERIOD:** No STD Benefits are payable for the Elimination Period.
- b) **MAXIMUM BENEFIT PERIOD:** No STD Benefits are payable after the end of the Maximum Benefit Period.
- c) **REGULAR CARE OF A PHYSICIAN:** No STD Benefits will be paid for any period of total disability when the employee is not under the regular care of a physician.

ATTACHMENT B-2

Administrative Services Short-Term Disability Proposal

RELIANCE STANDARD

RELIANCE STANDARD
RELIANCE STANDARD
RELIANCE STANDARD



Contents

Proposal Date: May 17, 2011
Proposal Effective Date: January 1, 2012
Proposal Expiration Date: August 16, 2011

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Sales Representative **Broker**
Alex Melman **Buck Consultants**
Reg. Sales Representative
602-954-6516

Executive Summary

This proposal has been developed to specifically address the needs of The City of Chandler (The City). Reliance Standard Life Insurance Company and Matrix Absence Management have been developing and implementing customized Integrated Disability programs since 1995, and employers have found that these programs are more than a product. Properly designed and implemented they also serve as a business strategy. Our goal is to act as a true business partner to your company, effectively executing this strategy.

Absence Solutions® is the integrated employee benefits platform created by and marketed exclusively by the sister companies Reliance Standard Life Insurance Company (Reliance Standard) and, Matrix Absence Management (Matrix). *Absence Solutions*® integrates non-occupational disabilities and employer-sponsored leave programs with comprehensive leave management, clinical case management and administrative reporting. Our focus on absence and productivity makes us the industry leader in helping companies manage all types of leaves and quantify their return on investment. A unique hallmark to our program is our client-centric approach to The City's culture, employee population and benefit program objectives.

As one of the largest absence management vendors, with over a decade of experience, we have the skill and the scale to be a strategic partner to The City.

Through *Absence Solutions*®, we provide a fully integrated approach to managing The City's program in a single claim management environment. From intake to financial reporting, all components of the process are owned and operated by us.

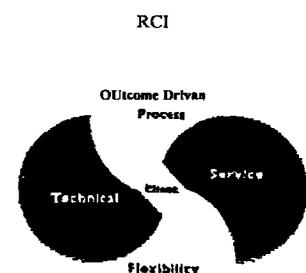
With *Absence Solutions*®, we will provide The City with:

- Simplified process for both you and your employees.
- Complete "end to end" ownership of integrated productivity management.
- Integrated co-located team of claim and clinical resources dedicated to servicing The City account.
- Web-based technology platform and comprehensive information-reporting database.

One Solution from First Call to Return to Work

Employees don't think of their absences in terms of where they fit—disability or another type of leave. Regardless of the reason for a leave, employees simply call our toll-free absence reporting number and identify their employer. Our intake specialists gather the needed information to determine the type of claim(s), set expectations on next steps and start the claim process. We work from a fully customized

Ideal for employers regardless of funding arrangement and company-specific business objectives.



RELIANCE STANDARD

intake script based on The City program, and we start the return-to-work process on day one.

Technical Strength and Expertise

You can expect expertise in custom program implementation, integrated service delivery, and technology tools that provide easy access to all your program data. Our experience and focus on improving productivity will help The City achieve your vision. From intake to financial reporting, all components of the process are owned and operated by us.

Dedicated Co-Located Team

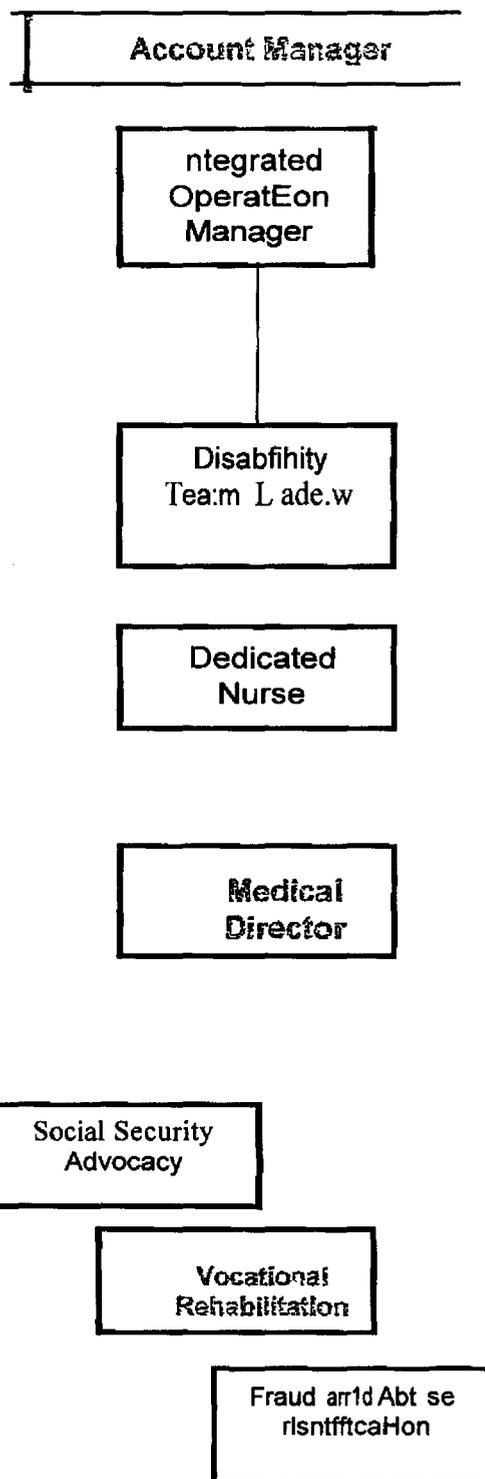
A dedicated team of claim and clinical management professionals will manage your disability and leave management program. Our teams are all located in the same office and work together to manage client-specific programs. Our results have demonstrated that a team located together ensures a consistent approach across all plans by applying the employer's culture in all aspects of the claim management process.

Comprehensive Reporting Platform

Our flexible web-based technology platform provides comprehensive information-reporting capabilities, eServices, our proprietary e-business platform, will be your "single-source" system that provides electronic access to claim files, robust data mining and real-time reporting. We have broad experience in linking our data to payroll and HRIS systems and in working with data integration vendors.

We appreciate the opportunity to provide our disability and leave management services to The City. As you review the details of our proposal, please feel free to ask for clarifications or alternatives. This type of program can be complex and our aim is to partner with you in making an informed decision.

Alex Melman
Regional Sales Representative
Reliance Standard, Phoenix - RSO
602-954-6516



Implementation

Summary of Proposed Services

Event Reporting

We don't process claims—we *manage* them. When you are an *Absence Solutions*® customer, your employees can choose either telephonic reporting or our web-based claim filing tool *eFiling*. Both intake options will be customized to meet the needs of The City. It is through this type of collaborative partnership that our intake specialists can identify an employee in a "teachable moment" and direct them to the appropriate resources provided by The City, even if the health risk is not the specific reason for the employee's disability. During claim intake, the customized questions and reminders on the intake statement can solicit information that would assist in the identification of potential referrals and include information related to the specific program applicable to the employee's situation.

Additional benefits of our intake services include:

- o All events reported through a single process
- o All reporting is to an *Absence Solutions*® employee—it is never subcontracted
- o All intake calls are recorded and kept for one year
- .. Employees calling during peak call volume times have the option of requesting a priority callback
- .. Translation services available for over 150 languages

Finally, we believe so strongly in our process and our ability to have a positive impact on employee durations, we make our telephonic and web-based filing options available 24 hours a day, 7 days a week, for all of our customers.

Triage

Immediately upon completion of the intake interview, all claims are subject to our automated *duration review* process. Using industry guidelines and standards based on diagnostic information and expected duration, claims are reviewed and assigned to resources based on complexity. In addition, we can use City-specific criteria to determine which additional cases go to your dedicated in-house nurse case manager.

Clinical Case Management- Medical Director Model

An automated duration review system completes initial screening of cases. However, your claim examiners and dedicated nurse case manager evaluate all claims that are flagged as complex or that meet a predetermined criteria so we can establish a plan of action. Our

**Intake Center
Excellence**

.. / Around the clock intake-
Telephonic & Web-based

.. / Employees can elect a
priority callback to
maximize their time
during intake

**Truly integrated claim
and clinical platform,
wholly owned and
operated.**

RELIANCE STANDARD

medical directors are specialists in their respective fields and work with our nurse case managers to review and manage all complex claims.

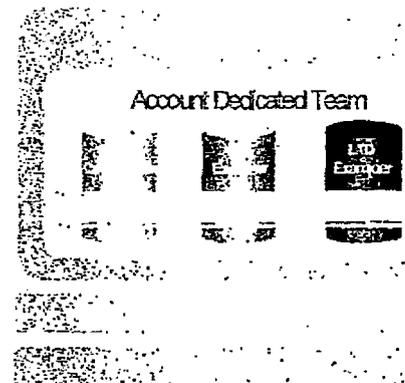
We use best practice escalation criteria to determine additional claims that should be referred to the nurse case manager and/or medical directors based on claim facts. Our claim staff can also make referrals based on their own knowledge of the employee and the facts surrounding the disability event. In addition, your dedicated nurse case manager will:

- .. Manage clinical aspect of complex cases
 - v' Management based on primary and secondary diagnosis
 - v' Referral to Health and Wellness Programs
 - v' Coordinate with Health and Workers Compensation Clinical Managers
- .. Work with the medical provider, employee and employer to effect the earliest return-to work
- .. Negotiate with treating physician to determine diagnosis and develop a return-to-work strategy
- Utilize absence duration industry standard references
- .. Engage specialty resources
 - v' Medical director
 - v' Field nurse case management
 - v' Behavioral health consultants
 - v' Network of specialty physician advisors
 - v' IME / FCE / Peer Review

eServices

Included in our proposal for The City is access to our **eServices** suite of applications, which includes:

- .. **eFiling**- An alternative to telephonic reporting, eFiling allows an employee to report his or tier absence online.
- .. **eClaims**- An employer application that provides information on all aspects of an individual claim, including payments, notes, certification history and claim status.
- .. **eAccounts**- An employee application, used to give employees information about their open claims
- **eReports**- An employer application that allows self-service access to a range of standard and ad-hoc reporting across the entire City program.
 - v' **eReports designer**-Includes a sub-application which permits the user to design, generate and save customized ad-hoc reports using any data elements captured within eReports.
- .. **eCommunications**- An automated communication application used to provide information between Matrix and our clients. This application will notify a client-determined recipient list via email when certain events occur during the claim process.



eServices offer enriched communications, program analysis and information transfer.

CLAIM MANAGEMENT

This web-deployed suite of applications offers enriched communications, real-time claim activity, and on-demand program analysis and information transfer. Put simply, The City will be armed with the data necessary to make informed decisions about necessary adjustments to your plans as well as information on current trends.

Return to Work Management

The *Absence Solutions*® proactive approach continues throughout the life of the claim, up to and including the return to work process. Our return to work services include;

- o A call to your employee five days prior to their scheduled return to work.
- " A reminder of any City-specific RTW policies such as:
 - . / Required RTW note from attending physician
 - . / Mandatory drug testing requirement
 - . / Reminder to check in with The City's designated personnel.
- Return to work eComm to The City confirming actual return-to-work date
- On the scheduled return to work date we will contact the employee and/or supervisor to confirm employee has reported.

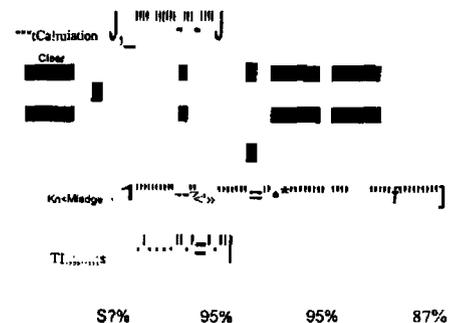
Employee satisfaction measured throughout the life of claim.

Account Management

A dedicated account manager will serve as your single point of contact and assumes total responsibility for the implementation and ongoing management of your account with us. The account manger works closely with your dedicated team of claim and clinical resources.

Employer and Employee Satisfaction

Consistently meeting our own high standards and yours is key to our success. Customer satisfaction surveys are sent to your employees after intake and at the close of every claim. Results will be specific to The City and will be delivered by your assigned account manager, who will assist you in interpreting these results and identifying areas of improvement. Matrix company-wide scores have never fallen below 95% customer satisfaction.



CONFIDENTIAL - NOT FOR DISTRIBUTION

Your Plan

The City of Chandler

Proposal Date: 05/17/2011

Proposal Effective Date: 01/01/2012

Proposal Expiration Date: 08/16/2011

Eligibility

All eligibility requirements and restrictions are identical to those of the in force plan.

Definition of Earnings

Standard (excludes bonuses and commissions)

Plan Description

Benefit percentage	66.67%
Weekly Maximum	Matches in force plan
Benefit Duration	180 days
Accident Benefits Begin	60th Day
Sickness Benefits Begin	60th Day
Partial Disability	Included
Employer Contribution	100%
Employee Participation	100%
Rate Guarantee	3 Years

Administration Fees

Service	Assumed Num_ber of Covered Lives	Rate Per . Er:np yee Per Month	Estimated Fee per- . Quarter:	Estimated AnnualFee
SJ:lort Te_wm E?isa ility	1,500	\$1.82	\$8,190.00	\$32,760.00
• Check Cutting	Additional	\$0.10	PEPM	

Terms and Conditions:

Administration fees are inclusive of all standard services as outlined above.
 Non-standard expenses are outlined below.
 Run-out Services are not Included as part of this proposal.
 All non-standard fees or unallocated expenses associated with the routine management of claims (i.e.Specialty Exams,Attorney Fees etc...) are invoiced at cost.

Value Added Services & Expenses- not included

Take over of existing STD Claims
 \$265 per claim

STDAppeal/
 \$376 per appeal

Banking Services
 \$2,750 annually

Payroll Services (if Matrix issues checks)
 \$2,750 annually

Benefit Deduction Service (if Matrix issues checks)
 Post tax on ly- included with Payroll Services

eServices Access
 Less than or equal to 2,000 covered live s- 5 users included
 Between 2,001 and 5,000 covered live s- 10 users included
 Between 5,001 and 10,000 covered live s- 25 users included
 Over 10,000 covered lives – Contact National Practice Leader

Additional users available in blocks of 10 users@ \$2,500 per block

*Non-Standard Data Feeds-
 Including but not limited to; Custom Payroll Feeds.& "Reverse Feeds"
 \$185/hour plus \$200/mo per exception*

(continued on next page)

REPORTING

Ad Hoc Reporting Services

(Customized Programming and Reporting);

- . / An Ad Hoc report writing tool is provided to all our clients free of charge, this gives access to all major data elements and allows users to generate their own reports.*

- . / Reports that require complex logic, scheduling, distribution or data encryption are chargeable at our hourly rate and will be custom developed after sign off by the client on a report specification. This specification will be produced by Matrix / Reliance Standard in conjunction with client representatives.*

Term Definitions

Takeover Existing STD Claims

We can at your option take over and seamlessly continue the management of employees currently receiving STD benefits. We would typically require additional information to ensure no disruption to your employees

STDAppeal

Matrix will agree to assist the client with denied claims on appeal. This will include one written recommendation to the client based on the information available within the timeframes specified within the ASO agreement.

Banking Services

Matrix establishes a unique bank account on behalf of the client that does not commingle funds with any other bank accounts. Arrangements for reimbursement of claim monies must be in place whereby Matrix is reimbursed for the claims monies paid out on the client's behalf. These arrangements are established at the inception of the program, based on the client's preferred method of reimbursement (ACH Credit or ACH Debit) and frequency of reimbursement (usually Monthly) to adequately fund claim liabilities. Matrix requires a pre-funding amount to cover the maximum expected claim payments issued during your selected reimbursement period.

Payroll Services

Matrix will ensure the withholding of Federal income taxes, Social Security taxes, and Medicare taxes for disability payments if Matrix is issuing checks on ASO business. The taxes and W2s are handled under Matrix's FEIN.

ACH Credit/ACH Debit

With ACH Credit the client funds, or reimburses, the bank account for the amount of claims paid out under the ASO/STD plan through a wire transfer or other Electronic Funds Transfer of the required funds.

With ACH Debit, the client grants Matrix permission to fund, or reimburse, the bank account for the amount of claims paid out under the ASO/STD plan by having Matrix draw from a specific designated client-owned account.

1. Introduction

Benefit Deduction Services

A client-selected service which allows employee benefit deductions to be taken from disability benefit checks, with the exception of 401(k) or other pre-tax withholding.

Premium Billing Services

When an employee is out on FMLA or other unpaid leave, it's easy to forget the insurance premium that's **due**—especially when the employee is used to paying premiums through payroll deduction.

We can offer a fully customizable solution to ensure employees maintain the insurance they had while at work. We offer flexibility and streamlined collection of insurance premiums from employees on unpaid leave. You control the content and timing of all letters and notices.

How Premium Billing Works: 1. Employee goes out on unpaid leave; 2. Customized communications and payment coupons are sent from Matrix to the employee; 3. Employee makes monthly benefit payment; 4. Matrix reconciles the payment and reports out to the employer; 5. Employers and employees have immediate access to payment information via easy web access; 6. Matrix advises the employer when payments stop, so you can determine continuation of benefits.

Non-Standard Data Feed

Matrix would consider a standard data feed to be one that is a single-source file feed in our preferred format. A non-standard data feed would be one with multiple sources, outside of our standard format and/or with customized field definitions.

**ATTACHMENT C
PRICING SCHEDULE**

For the initial three-year term of the Agreement, the advise-to-pay services for administration of the City's short-term disability program are as follows:

<u>Short-Term Disability Item</u>	<u>Initial Fee for One-Time Only Fee</u>	<u>Proposed Year One Rates</u>
1. Implementation Fee	\$0	\$0
2. Per Employee Per Month (PEPM) (assuming 1500 Employees)	\$1.82	\$32,760
3. Fees for Optional Services:		
a. Take over existing claim		\$ 265 per claim
b. Short-term Disability Appeal		\$ 370 per appeal

**ATTACHMENT D
NON-DISCLOSURE STATEMENT**

Re: RFP #HR1-953-2988 for Life Insurance, AD&D & Short Term Disability Services

The Undersigned, in the course of performing his or her administrative duties, shall have access to and may review proposal documents and related data (Documents) submitted in response to the aforementioned Request for Proposals (RFP). These Documents are made available to the Undersigned under the following conditions:

Aside from those persons already bound by any related Non-disclosure Statements (Statement), the Undersigned agrees to hold all Documents in confidence and shall not disclose the information contained within the Documents to any other persons.

The Undersigned shall destroy all documents provided by the City in reference to this RFP in a secure and compliant manner as directed by both HIPM and HITECH Federal Legislation.

The Undersigned shall not communicate or by his or her actions allow the contents of the Documents to be communicated with any Offerors, their subcontractors or other persons not also holding a related Statement prior to contract award.

The Undersigned shall not utilize the provided information for any other purpose other than to respond to the abovementioned RFP (Request for Proposal).

The Undersigned further acknowledges that the Arizona Procurement Code provides civil and potentially criminal penalties for the violation of these requirements.

The Undersigned has read and understands the above and agrees to be bound by the rules and principles represented herein and in accordance with the provisions of the Arizona Procurement Code.

The Undersigned:

Signature	Representing (Agency or Company)
Name (print)	Date
Title	Email address
	Phone

Completed Non-Disclosure Statements may be returned via email to: Kristy Garcia, CPPB - Procurement Officer via e-mail: kristy.garcia@ChandlerAZ.gov or fax: 480-782-2410.