

City of Bethel Action Memorandum

Action memorandum No.	AM 17-22		
Date action introduced:	March 14, 2017	Introduced by:	City Manager
Date action taken:	March 14, 2017	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Denied
Confirmed by:	LS		

Approve "Option 3" as proposed by SunLife Insurance Company for the purchase of 15 months of Stop Loss Insurance for City of Bethel's self-insured group health care benefits.

Route to:	Department/Individual:	Initials:	Remarks:
<input checked="" type="checkbox"/>	City Manager	PLW	
<input checked="" type="checkbox"/>	Finance Director	[Signature]	
<input checked="" type="checkbox"/>	City Attorney	[Signature]	
<input type="checkbox"/>			
<input type="checkbox"/>			

Attachment(s): Renewal Options Comparison Chart; SunLife Stop Loss Ins. Proposal

Amount of fiscal impact:		Account information:
	No fiscal impact	
	Funds are budgeted for.	
\$761,708.00	Funds are not budgeted. Budget modification is required.	Will be incorporated into FY18 budget

Background: City of Bethel has a self-funded health care plan for eligible employees. It is an established business practice for self funded plans to purchase what is often referred to as a "stop loss" insurance plan for "catastrophic" events that would have severe financial impacts on a self funded plan. A stop loss insurance policy ensures that the City's medical liabilities are limited.

The recommended stop loss policy is with a new vendor (SunLife) that offers the City several financial benefits. SunLife is offering a proposal with "No Lasers" at renewal - meaning that if any covered individuals experience high dollar claims during the contract period, SunLife will not increase the future deductible on that particular employee. In addition, SunLife's policy offers a credit program whereby the City receives a portion of any unused premium if actual claims are lower than projected.

The current stop loss terminates March 31, 2017 and the new policy will be in effect from April 1, 2017 through June 30, 2018, bringing the stop-loss policy in line with the City's fiscal year.

15 Months Annual Cost		<i>Option 1</i>	<i>Option 2</i>	<i>Option 3</i>
TPA		RENEWAL w/Current Carrier		
Reinsurance Carrier		Trusted Plan Service Corp HCC Life	Trusted Plan Service Corp Sun Life	Trusted Plan Service Corp Sun Life
Notes: ISL Options		\$60K w/2 Lasers 15 Month Contract	\$60K No Lasers at Renewal 15 Month Contract	W/TLO \$60K No Lasers at Renewal 15 Month Contract
Fixed Costs (PEPM)		PAID	27/15	27/15
Specific Insurance -Single	29	\$288.31	\$285.27	\$308.92
Specific Insurance - Family	54	\$757.47	\$694.30	\$752.10
Aggregate Insurance	83	\$15.13	\$13.66	\$14.56
Total Monthly Stop Loss Premium		\$50,520	\$46,899	\$50,781
Total Annual Stop Loss Premium		\$757,802	\$703,482.15	\$761,708



PROPOSAL

Brighter under the sun

Created for:
City of Bethel

Introduction

Thank you for the opportunity to provide your company with insurance protection. We are honored to offer this proposal to you.

Proposal presented to

City of Bethel
Address Unknown
Bethel, AK 99559

SIC Code: 9111

Proposal presented by

Sun Life Financial
One Sun Life Exec Park
112 Worcester St
Wellesley Hills, MA
02481 Tel: 877-736-4739

Benefits quoted

Aggregate Stop-Loss and Specific Stop-Loss

Proposed Effective Date

April 1, 2017

Things to know

- This proposal shows a summary of proposed benefits, rates, and underlying assumptions. It is not part of the group policy or a legal contract with Sun Life or its affiliated companies.
- This proposal is valid for 60 days, starting from March 1, 2017, and only for the proposed Effective Date.
- The rates shown may be subject to recalculation pending a) final enrollment, b) census data, and c) review of any additional data requested in the proposal. Please review the assumptions for information about how the rates were derived.

Producer licensing

All Sun Life companies require producers who use insurance quotes for the purpose of soliciting, selling, or negotiating insurance to be licensed both by the state where the prospective client is located and by any state where the solicitation, sale, or negotiation of insurance occurs, if different. This requirement pertains to all forms of solicitation, sale, or negotiation of insurance, including but not limited to solicitation, sale, or negotiation conducted in person or by telephone, by e-mail, by fax, or otherwise.

Producer compensation

We encourage brokers and their clients to discuss what commission or other compensation may be paid in connection with the purchase of products and services from Sun Life companies. All Sun Life companies may pay the selling broker, agency, or third party administrator for the promotion, sale, and renewal of the products and services offered in this proposal. In addition to our standard compensation arrangements, we may make additional cash payments or reimbursements to selling brokers in recognition of their marketing and distribution activities, persistency levels, and volume of business. For New York-issued cases, producers must comply with the specific compensation disclosure requirements of New York Regulation 194.

Plan and rates

This proposal may be based on employee census information provided by the employer. Acceptance of the group and final rates will be determined by Sun Life based on actual enrollment and case experience, if required. Terms and conditions of any coverage under the policy may be determined by all required final data and by underwriting rules, minimum participation requirements, and policy provisions in effect on the date coverage begins.

Underwriting companies

The Sun Life Financial group of companies operates under the "Sun Life Financial" name strictly as a marketing name, and no legal significance is expressed or implied. In the United States and elsewhere, insurance products are offered by members of the Sun Life Financial group that are insurance companies. Sun Life Financial Inc., the publicly traded holding company for the Sun Life Financial group of companies, is not an insurance company and does not guarantee the obligations of these insurance companies. Each insurance company relies on its own financial strength and claims-paying ability.



Stop-Loss

We are pleased to offer Stop-Loss insurance to employers. Our coverage provides a full range of services and features designed to make self-funding easier and more affordable. Here are some highlights:

- **Autonomy:** Receive fast, final decisions to underwriting and claim requests because we don't need to take the time to ask for a reinsurer's approval. As a direct-writer carrier, we retain 100% of the risk for our Stop-Loss policies.
- **Excellent Claims Service:** Experience a high standard of customer service, including an average 7- business-day turnaround time for complete Specific claim requests.
- **Money-Saving Programs:** Get SunResources® and SunEliteSM—both are provided to all Sun Life Stop- Loss customers. Sun Life nurse consultants work with administrators even before the Stop-Loss deductible is reached to help reduce claim expenses for the plan through SunResources'® access to specialized vendors. The SunEliteSM medical plan document review service delivers insight you can use to strengthen cost containment, federal law compliance, and discretionary authority language.
- **Comprehensive Policy:** Enjoy a Stop-Loss policy that covers a variety of managed care fees, off-label drug use, alternative care, state assessments, and state-mandated hospital surcharges. These reimbursable expenses can help lower the total cost of self-funding.
- **Flexibility:** Choose from a full range of plan designs to meet any budget. Designs include a range of deductibles and run-in and run-out options.
- **Customized Protection:** Tailor coverage with the innovative Cancer rider deductible (requires an in force Sun Life Cancer/Critical Illness policy), Aggregating Specific deductible, Monthly Aggregate Accommodation option, Clinical Trials option, and Advance Funding.
- **No New Lasers at Renewal:** Eliminate the potential for additional lasers with the No New Lasers at Renewal option. It includes the Renewal Rate Increase Cap to help make renewals even more predictable and stable.
- **Gapless Renewals:** Catch claims that would otherwise go uncovered between policy years with the Gapless Renewals option. This added coverage was created for claims that don't fall into the normal run-out pattern.
- **No Redisclosure at Renewal:** Rely on this to make things easier—you don't have to send in a large claims disclosure again at renewal.

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV 7-12.

Stop-Loss

Rates

No New Lasers at Renewal Option

Proposed Third Party Administrator: TRUSTEED PLANS SERVICE CORP.

Proposed network: First Choice Health Network and PHCS Private Health Care Systems

Specific Stop-Loss insurance			
Effective Date: 04/01/2017	Commission: 0%	SIC:	9111
Policy year end date: 06/30/2018			
Covered benefits	Medical including prescription drug plan		
Annual maximum: Unlimited			
Terminal Liability			
Claim Basis:	27/15		
Specific Deductible	\$60,000		
Aggregating Specific Deductible	\$30,000		
Employee tier/lives			
Employee only	29	\$308.92	
Employee and family	54	\$752.10	
Total Lives	83		
Monthly premium	\$49,572		
Policy year premium	\$743,576		
Aggregate Stop-Loss insurance			
Effective Date: 04/01/2017	Commission: 0%	SIC:	9111
Policy year end date: 06/30/2018			
Maximum Aggregate benefit: \$1,000,000		Corridor: 125%	
Claim Basis	27/15		
Internal maximum	\$60,000		
Employee tier/lives			
Medical			
Employee only	29	\$1,259.76	
Employee and family	54	\$1,259.76	
Total Lives	83		
Prescription Drug Card			
Employee only	29	\$348.68	
Employee and family	54	\$348.68	
Total Lives	83		
90% Minimum Attachment Point	\$1,802,257		
Aggregate premium			
Monthly Aggregate Accommodation	\$1.50		
Terminal Liability	\$1.00		
Monthly rate per employee	\$14.56		
Policy year premium	\$18,127		
Policy year cost summary			
Specific Deductible	\$60,000		
Internal maximum	\$60,000		
Total premium	\$761,703		
Aggregate Attachment Point	\$2,002,508		
Maximum exposure	\$2,764,211		

Included in this plan:

- Managed care discount for pre-certification, utilization review, medical case management
- Retirees not included for Specific coverage

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV

March 1, 2017

Quote # 26

- Retirees not included for Aggregate coverage
- Experience Rating Refund (See below for details)

Additional options:

- A discount may be available with the purchase of Group Life and/or LTD.

Experience Rating Refund:

On each Policy Anniversary, a retrospective Experience Rating Refund process is applied to the Specific Benefit.

If the Loss Ratio Percentage for the Policy Year is less than 75%, then 50% of the Surplus--up to a maximum of 20% of the Net Premium paid--will be returned to the policyholder as an Experience Rating Refund.

The Experience Rating Refund Endorsement is subject to the following conditions:

- "Surplus" will equal 75%, less the Loss Ratio Percentage for the Policy Year, multiplied by the Net Premium paid by the policyholder.
- The "Loss Ratio Percentage" will equal the total dollar amount of all Specific Benefit claims paid by Sun Life divided by the Net Premium paid for the Policy Year.
- "Net Premium" will equal the premium paid to Sun Life for the Policy Year, less the commission paid by Sun Life for the Policy Year.

The total dollar amount of Specific Benefit claims paid by Sun Life will be determined after the end of the Policy Year and the Run-Out Period, if any. The calculation to determine whether an Experience Rating Refund is payable will be made 6 months after the end of the Specific Benefit Claims Basis (including any Run-Out Period).

If an Experience Rating Refund is payable, it will be paid within 30 days after the calculation is made. In order to receive an Experience Rating Refund, the policyholder's Sun Life Stop-Loss policy must be in effect at the time the Experience Rating Refund payment is to be made.

Assumptions

- Clinical Trial Coverage: Costs relating to non-experimental and non-investigational treatment incurred as part of a clinical trial are covered as eligible expenses. Costs relating to experimental or investigational treatment are not covered.
- Mental/nervous/drug/alcohol coverage is based on current plan design.
- Advance Funding Endorsement included.
- This proposal includes our Monthly Aggregate Accommodation feature.
- This proposal includes our Terminal Liability option for Specific and Aggregate Stop-Loss. The extension period is 3 months.
- This proposal includes the No New Lasers at Renewal option and a Renewal Rate Cap of 50%. The Renewal Rate Cap applies to the Specific Stop-Loss rates and Aggregating Specific Deductible (if applicable), and it assumes there are no material changes to the policyholder's plan, the Stop-Loss policy, or the group being covered.
- This quote includes an Aggregating Specific Deductible.
- Quote based on current plan of benefits.
- We are offering a conditional 60 Day Early Lock option. You must provide all required information through 1/31/17 including but not limited to a signed SRQ and application. The information must be received no later than 3/16/17. This offer is no longer valid after 3/16/17.
- This proposal is part of the UBA block. If the composition of the block changes, further underwriting action may be necessary.
- This proposal assumes the mirroring amendment/endorsement is included. Mirroring of the employer's plan document is subject to review and approval by Sun Life and may impact the quoted rates. The employer plan document must be submitted within 90 days of the policy Effective Date and must include an executed signature page.
- This proposal assumes that the following cost containment program(s) will be in place on the Effective Date: Advantria Renal
- The standard dependent definition is an employee's spouse and unmarried natural, adopted, or step children, unless otherwise noted.
- This proposal assumes your plan covers only full-time and regular part-time hourly and salaried employees, unless otherwise noted.
- Common ownership of the business units.
- Notification of any employer-completed merger or acquisition.
- Final rates for Specific coverage are guaranteed for 15 months from the Effective Date, unless a change in risk occurs. Risk changes include plan or policy amendments; Third Party Administrator or Administrative Services Only changes; network or cost-containment vendor changes; enrollment shifts greater than 15%; participation shifts in each plan option greater than 10%; and addition/deletion of a subsidiary, division, affiliate, or associated company.

Individual claim assessments

- has a Specific Deductible of \$115,000. We will review and consider additional information. If an Identifier is referenced, please provide the name of this individual.
- has a Specific Deductible of \$115,000. We will review and consider additional information. If an Identifier is referenced, please provide the name of this individual.
- employee #0770, will be on a 12/12 basis.

Sold Case requirements

- Copy of plan document

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV

- Final census information through the end of the enrollment period, including age or date of birth, gender, zip codes, coverage codes, and identification of any HMO, retiree, COBRA, and noneligible employees
- Special Risk Questionnaire (SRQ)
- For cases with run-in only:
 - Pending hospital expenses and known confinements that have not yet generated a bill
 - Pre-certification billing through 2 weeks prior to the Effective Date
 - Outstanding claims due to subrogation, audit, contested denials, or any other reason
- For cases with 12/12 or run-outs: pre-certification billing through 2 weeks prior to the Effective Date

Issuance of a contract is subject to submission of all Sold Case and Proposal Contingencies.

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV

Disclosures

Policy

disclosures Stop-

Loss

Exclusions

We do not reimburse for any of the following:

- Expenses for medical services rendered to a Covered Person by the Covered Person's family member or relative.
- Expenses that are payable or reimbursable under any Workers' Compensation Law or similar legislation.
- Expenses for any cosmetic Treatment as defined in Your Plan. This exclusion does not apply to expenses relating to breast reconstruction after mastectomy.
- Expenses for any Experimental or Investigational Treatment, or for any hospital confinement or Treatment that results from Experimental or Investigational Treatment.
- Expenses for any transplant not included in the definition of Transplant.
- Expenses relating to non-human organ or tissue transplants, gene therapies, xenographs or cloning.
- Expenses for any Treatment administered outside the United States if the Covered Person traveled to the location where the Treatment was received for the purpose of obtaining the Treatment.
- Expenses for benefits in excess of Your Plan's limits, or expenses that are excluded under Your Plan.
- Expenses in excess of the Usual and Customary Charge.
- Any amount paid by You in excess of a negotiated provider discount, or any penalty or late charge incurred, or any discount lost, unless previously approved in writing by Us at Our U.S. Headquarters.
- Expenses associated with the administration of Your Plan including, but not limited to, claim payment fees, cost containment administrative fees, PDP administration fees, PPO access fees, premium functions, medical review and consultant fees, unless otherwise covered under this Policy.
- Expenses paid by You relating to any litigation concerning Your Plan, including, but not limited to, attorneys' fees, extra-contractual damages, compensatory damages and punitive damages.
- Any portion of an expense which You are not obligated to pay under Your Plan, or which is reimbursable to You under:
 - Another group health benefit program; or
 - A government or privately supported medical research program; or
 - Medicare; or
 - Any coordination of benefits or non-duplication of benefits provision of Your Plan; or
 - Worker's compensation; or
 - Any other source.
- Expenses incurred by a person who is employed by You at any unit, subsidiary or division of Yours that has not been underwritten by Us.
- Expenses incurred for any illness or injury due to, or aggravated by, war or an act of war, whether declared or undeclared.
- Expenses paid by You for any Treatment authorized or approved under any provision of Your Plan which:
 - Allows the plan administrator to approve alternative care or alternative treatment; or
 - Allows the plan administrator to alter, modify, or waive Plan provisions or limitations, or
 - Grants You or Your plan administrator discretion to approve coverage for Treatment not otherwise covered under Your Plan;unless the Treatment satisfies the criteria for Alternative Care set forth in Section II.
- Expenses covered under a Prescription Drug Plan, unless Prescription Drug Plan coverage is a Covered Benefit on the Schedule

March 1, 2017

of Benefits.

- Expenses for any Transplant if You have a separate insurance policy that covers Transplants for Covered Persons regardless of whether the Covered Person is covered by that policy.
- Notwithstanding any other Policy provision, We will not reimburse any expense incurred by any employee, or by the employee's dependents, where the employee is a member of: (a) a division, unit, group, subsidiary, affiliate, or class of employee of the Policyholder; or (b) an association, trust, cooperative or similar organization connected with the Policyholder, that is not covered by the Plan as of the Policy Renewal Effective Date.

General disclosures

1. For current financial ratings, please visit www.sunlife.com.

The Sun Life Financial group of companies operates under the “Sun Life Financial” name strictly as a marketing name, and no legal significance is expressed or implied. In the United States and elsewhere, insurance products are offered by members of the Sun Life Financial group that are insurance companies. Sun Life Financial Inc., the publicly traded holding company for the Sun Life Financial group of companies, is not an insurance company and does not guarantee the obligations of these insurance companies. Each insurance company relies on its own financial strength and claims-paying ability.

2. Value-added services are not insurance, are offered only on specific lines of coverage, and carry a separate charge, which is added to the cost of the insurance. The cost is included in the total amount billed. Emergency Travel Assistance is provided by Assist America®. Identity Theft Protection is provided by SecurAssist®, an Assist America program. Online Will Preparation and Claimant Support Services are provided by ComPsych®. Employee Assistance Program (EAP) work/life services are provided by ComPsych®. EAP By DesignSM, EAP EssentialSM, EAP CompleteSM, and EAP Business ClassSM are service marks of Sun Life Assurance Company of Canada. Services are provided in partnership with ComPsych® Corporation and are not insurance. HealthChampionSM (a health care support service) is provided by ComPsych®. Absence Management Services are provided by ComPsych®. ComPsych® is a registered trademark of ComPsych Corporation. Convenience Resources and Adult/Elder Care Support are provided by Harris, Rothenberg International, Inc., a service provider not affiliated with Sun Life. The benefit-specific sections of this proposal will note if any of these services are available to employees. The entities that provide the value-added services are not contractors of Sun Life and Sun Life is not responsible or liable for the care, services, or advice provided by them. Sun Life reserves the right to discontinue any of the services at any time.

Service guarantees: if we do not meet our service standards, the employer is given a refund as a percentage of premium covered by these guarantees. Service guarantee payment not to exceed the lesser of 3% of annual premium or \$5,000. Certain limitations apply.

Any payment will be paid, by check, at the end of a policyholder’s policy year. To obtain payment, a policyholder must request it in writing. Sun Life Financial will determine whether a payment is made. Sun Life Financial’s maximum liability under this guarantee is limited to the lesser of 3% of a policyholder’s annual premium or \$5,000. The maximum payment for breach of the service standard is one-third of the maximum liability, or \$1,667 for each Claim Service, Customer Service, or Overall Satisfaction Guarantee. These service guarantees are available to all 100%-employer-paid and partially-employer-paid plans.

Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states, except New York, under Policy Form Series 93P-LH, 98P-ADD, 07-SL REV 7-12, 07P-LH-PT/07C-LH-PT, 01P-ADD-PT/01C-ADD-PT, GP-A, GC-A, 12-GP-01, 15-LF-C-01, 15-ADD-C-01, 12-DI-C-01, 13-SD-C-01, 12-AC-C-01, 13-ADD-C-01, 12-GPPort-P-01, 13-ADDPort-C-01, 15-

LFPort-C-01, 12-STDPort-C-01, 12-ACPort-C-01, 13-SDPort-C-01, TDBPOLICY-2006, and TDI-POLICY. In New York, group insurance policies are underwritten by Sun Life and Health Insurance Company (U.S.) (Lansing, MI) under Policy Form Series 13-GP-LF-01, 13-LF-C-01, 13-GP-LH-01, 13-ADD-C-01, 13-LTD-C-01, 13-STD-C-01, 06P-NY-DBL, 07-NYSL REV 7-12, GP-A, GC-A, 12-GP-SD-01, 13-SD-C-01, 12-GP-01, 12-AC-C-01, 12-GPPort-01, 13-LFPort-C-01, 13-ADDPort-C-01, 12-STDPort-C-01, 12-ACPort-C-01, and 13-

SDPort-C-01. Product offerings may not be available in all states and may vary depending on state laws and regulations.

This coverage does not constitute comprehensive health insurance (often referred to as “major medical coverage”) and does not satisfy the requirement for Minimum Essential Coverage under the Affordable Care Act.

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Sun Life Assurance Company of Canada

Application for Stop-Loss Insurance



1 Plan sponsor information

Full legal name of plan sponsor City of Bethel	Policy number (office use only)	
Address P.O. Box 1388	Policy effective date (mm/dd/yyyy) 04/01/2017	
City Bethel	State AK	Zip code 99559

2 Subsidiaries, affiliates, divisions, and locations

Please list all subsidiaries, affiliates, divisions, and locations to be covered under the Stop-Loss policy.

1.
2.
3.
4.
5.
6.
7.
8.

3 Requested Coverage

Please select the coverage(s) being applied for.

Specific Benefit

Specific Benefit Deductible \$60,000	<input checked="" type="checkbox"/> Individual <input type="checkbox"/> Family
Aggregating Specific Deductible (if applicable) \$30,000	
Specific Benefit annual maximum eligible expenses per Covered Person \$	OR <input checked="" type="checkbox"/> No maximum
Specific Benefit lifetime maximum eligible expenses per Covered Person \$	OR <input checked="" type="checkbox"/> No maximum

Aggregate Benefit

Aggregate Benefit maximum \$1,000,000	Aggregate Benefit maximum eligible expenses per Covered Person* \$60,000
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* Individual or family option applies to all selected coverages

4 Proposed benefits: rates, covered lives, and aggregate deductible factors

Specific Benefit enrollment:

	Rate	Lives
Employee only	\$308.92	29
Employee and family	\$752.10	54

Total: 83

Specific Covered Benefits:

Medical including prescription drug Medical excluding prescription drug

Aggregate Benefit enrollment:

	Medical	Prescription Drug
Employee only	29	29
Employee and family	54	54
Total	83	83

Aggregate Deductible Factors (ADFs):

	Medical	Prescription Drug
Employee only	\$1,259.76	\$348.68
Employee and family	\$1,259.76	\$348.68

Monthly Aggregate Accommodation (MAA)

Aggregate Benefit Premium Rates:

Monthly Rate: \$14.56

Annual Rate: \$

Other: _____ rate: \$

5 Claims basis

Contract basis		Specific Benefit	Aggregate Benefit
12/12	Incurred and paid	<input type="checkbox"/>	<input type="checkbox"/>
15/12	3 month run-in	<input type="checkbox"/>	<input type="checkbox"/>
18/12	6 month run-in	<input type="checkbox"/>	<input type="checkbox"/>
24/12	12 month run-in	<input type="checkbox"/>	<input type="checkbox"/>
12/15	3 month run-out	<input type="checkbox"/>	<input type="checkbox"/>
12/18	6 month run-out	<input type="checkbox"/>	<input type="checkbox"/>
12/24	12 month run-out	<input type="checkbox"/>	<input type="checkbox"/>
Incurred		<input type="checkbox"/>	N/A
Paid		N/A	<input type="checkbox"/>
Other: 27/15		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Terminal Liability Option:		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

3 months Other

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6 For employers that are providers of medical services (e.g. hospitals, clinics, etc.)

The Related Provider Reimbursement Percentage applied to Eligible Claims Expenses for Related Provider Services will be N/A% for the Specific Benefit and N/A% for the Aggregate Benefit.

7 Retiree Information

1. Specific Benefit: Is retiree coverage included? Yes No
2. Aggregate Benefit: Is retiree coverage included? Yes No

8 Additional benefits (Must be approved by underwriting)

The following benefits are available to enhance your Stop-Loss coverage.

Clinical Trials Benefit Provision

Elect Decline

No New Special Conditions Rider at Renewal

Elect Decline

9 Fraud warnings

Please read the fraud warning below before signing this form. Where noted, state law requires that we notify you of the following:

General fraud warning: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

AL: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

AR, LA, MA, NM, RI, and WV: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

CO: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

DC: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

FL: Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

KS: Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto may be guilty of insurance fraud as determined by a court of law.

ME, TN, and WA: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

MD: Any person who knowingly OR willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly OR willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

9 Fraud warnings, continued

NJ: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

OH: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OK: **WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

OR and VA: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may have violated state law.

PR: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

VT: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

10 Certification and signature

Please return this form and all additional required documentation to your Sun Life Financial sales office.

This application does not bind coverage. The applicant agrees to provide Sun Life Assurance Company of Canada with a current census of all eligible individuals, disclosure of all special risks on the Special Risk Questionnaire and a complete Plan document no later than the effective date specified in section 1. Upon approval of this application, Sun Life Assurance Company of Canada will issue a Stop-Loss insurance policy with insurance coverage to become effective on the effective date. This application will be attached to and made a part of the Stop-Loss policy.

The policy will be void if the applicant has concealed or misrepresented any material fact or circumstance concerning the subject of this application.

I have read or had read to me the fraud warning for my state.

Name of authorized representative of plan sponsor	Title	
Signature of authorized representative X	Today's date	
Signature of agent/broker X		
Print name of agent/broker		
Florida agent/broker license ID number	Amount paid with this application	
Countersigned by licensed resident agent (when required by law) X	\$	

Contact us

- | | |
|---|--|
|  By mail
Sun Life Assurance Company of Canada
P.O. Box 9133
Wellesley Hills, MA 02481 |  By fax
781-304-5383 |
|  www.sunlife.com/us |  Customer Service 800-247-6875 M–F 8:00 a.m. – 8:00 p.m., ET |

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Sun Life Assurance Company of Canada

Stop-Loss Special Risk Questionnaire



Sun Life Assurance Company of Canada has responded to your request for a stop-loss insurance proposal. Before we make a final offer of coverage, we must be aware of any special risks. Please complete the form and return it to your Sun Life representative at least 30 days prior to the proposed stop-loss policy effective date.

It is important that this form be completed in full and signed. Failure to complete and sign it could delay the requested coverage.

1 Definition of special risk

A person covered under your benefit plan (including employees, their dependents, retirees, former employees on COBRA, or any person being newly enrolled or re-enrolled in your plan after prior exhaustion of their benefits under it) is considered a special risk if he or she meets any of the following criteria:

A person is a special risk if he or she is:

- Confined to a medical facility (acute, skilled or rehabilitation); or
- On a left ventricular assist device (LVAD), ventricular assist device (VAD), or ventilator dependent; or
- Experiencing a high risk pregnancy as determined by your pre-certification, case management or pregnancy management vendor; or
- Currently receiving dialysis or has been diagnosed with end stage renal disease; or
- Not actively at work due to disability or is working reduced hours due to illness or injury; or
- An employee who is not actively at work due to disability, or who has been absent from work more than 10 consecutive days within the past 12 months, or who is working reduced hours due to illness or injury.

A person is also a special risk if he or she has been diagnosed with, or treated for, any of the following conditions in the past 12 months:

ICD-9	ICD-10	Diagnosis
V42.xx	Z48.22-Z48.288	Transplants
042-044	B20	HIV
140-199	C00.00-C80.0	Malignant Neoplasm/Carcinoma
200-208	C83.30-C95.00	Lymphoma/Leukemia
253.2-253.3	E23.0	Growth Hormone Deficiency
272.7	E75.21-E75.6	Gaucher's Disease
277	E84.9	Cystic Fibrosis
286-286.5	D66-D68.31	Hemophilia
335.2	G12.21	Amyotrophic Lateral Sclerosis (ALS)
340	G35	Multiple Sclerosis
342-344	G81.00-G82.50	Cerebrovascular Diseases/Stroke
393-429, 518	I09.2-I51.4, J98.11-J98.19	Heart/Lung Disease
430-436	I60.0-I67.8	Cerebrovascular Diseases/Stroke

ICD-9	ICD-10	Diagnosis
570-573	K72.00-K76.1	Chronic Liver Disease
577-577.1	K85.0-K86.10	Acute Chronic Pancreatitis
584-587	N17.1-N26.9	Acute/Chronic Renal Failure
651	O30.009	Multiple Gestation
758-779	Q90.0-P90	Neonatal (High Risk Infants)
800-804	S02.0XXA-S02.91XA	Intracranial Injury
805-806	S12.9XXA-S12.000A	Spinal Cord Injury
850.4-854	S06.0X64-S06.890A	Intracranial Injury
860-869	S27.0XXA-S36.4X4S	Major Trauma
874, 875, 879	S11.019A, S21, 101A, S21.001A	Major Trauma
900-909	S15.009A-T36.4X4S	Major Trauma
940-949	T26.50XA-T30.4	Severe Burns
952-953	S14.101A-S14.2XXA	Spinal Cord Injury

2 Disclosure of special risk(s)

There are two ways to disclose an individual who is a special risk.

1. You may disclose an individual who is a special risk by providing one or more of the following reports. Please check "Yes" or "No" to indicate whether the report is being provided, list the report date, and attach a copy of the report.

Report	Provided	Report Date
Trigger Diagnosis report	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	02/03/2017
Pending/denied claims reports with diagnosis	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	02/03/2017
Subrogated claims report	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Pre-certification reports with diagnosis within the last 6 months	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	02/03/2017
Report listing any plan participant who has incurred or is expected to incur medical expenses (including drug expenses) greater than 50% of the specific benefit deductible or \$50,000, whichever is less	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	02/03/2017
Updated Denied Claims	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	02/27/2017

2. You may also disclose an individual who is a special risk on the following chart. Please attach additional pages as needed. If there are no individuals to report, please write "None to Report" in the first row of the chart.

Individual's name or member identification number	Category	Date of birth or age	Gender	Diagnosis/Medical condition	Date of Diagnosis or Disability, if known	Date expected to return to work, if applicable
	E=Employee D=Dependent R=Retiree C=COBRA F=FMLA O=Other continuee					

3 Acknowledgment and signature

In accordance with our stop-loss policy, if you fail to disclose an individual who should be disclosed as a special risk, we have the right to revise premium rates, deductibles, deductible factors, and other terms and conditions of the policy, according to our underwriting practices, retroactive to the policy's original effective date.

Your signature on this form represents to us that you or your authorized representative have:

1. Consulted with your pre-certification, utilization review and case management vendors, your current or former third party administrator, and your prior stop-loss carrier, as needed, to obtain the information required to complete this form.
2. Consulted with your Human Resources department to identify employees on FMLA, extended sick leave, leave of absence, or short- or long-term disability.
3. Disclosed each individual covered under your benefit plan who is, or may be, a special risk as of the date you signed this form.

Legal name of policyholder City of Bethel		Effective date of coverage 04/01/2017
Name of authorized representative of plan sponsor (please print)		Title
Signature X		Date

Contact us

-  **By mail**
Sun Life Assurance Company of Canada
Attn: Stop-Loss Internal Sales Support
One Executive Park
Wellesley Hills, MA 02481
-  **By fax**
781-304-5392
-  www.sunlife.com/us
-  Customer Service **800-247-6875** M–F 8:00 a.m. – 8:00 p.m., ET

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Sun Life Assurance Company of Canada

Direct Deposit Authorization for Stop-Loss Policyholders



To enjoy the safety and convenience of Sun Life Financial's direct deposit services, simply complete this form and return it to your Sun Life Financial representative.

1 Policyholder Information

Please PRINT clearly.

Policyholder name		Policy number	
Street address			
City		State	Zip code
Name of authorized representative signing this form		Title	Phone number

2 Financial Institution

Please attach a **voided check** to this form for verification of all bank/financial institution information.

Name of bank/financial institution	
City and state of bank/financial institution	
Policyholder's account number at bank/financial institution	Bank/Financial institution routing number

3 Insured Authorization Statement

I hereby authorize Sun Life Assurance Company of Canada, including any of its subsidiaries and affiliates, to make all payments due under the policy listed above by direct deposit to the account designated above. This authorization shall be effective until further written notice from me, or another legally authorized representative, is received by Sun Life Assurance Company of Canada.

To correct any overpayments credited to this account, I hereby authorize and direct the financial institute designated above to debit this account and refund such overpayment to Sun Life Assurance Company of Canada.

Signature of authorized representative X	Date
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Sun Life Assurance Company of Canada

Stop-Loss Administrative Worksheet



1 Broker information

Fill out this form and send it to Sun Life Financial with the application.

Questions? Please speak to your Sun Life Group Sales Representative.

Broker name			
Account manager name			
Firm name			
Street address	City	State	Zip code
Phone number		Fax number	
Email address			

2 TPA information

If you have additional TPAs, please check here and include additional pages with the same information requested at the right.

TPA name			
Account manager name			
Street address	City	State	Zip code
Phone number		Fax number	
Email address			

3 Policyholder information

Policyholder company name	
Policyholder contact name	
Phone number	Fax number
Email address	
<input type="checkbox"/> RX Carve Out	RX Vendor

4 Administrative information

Commissions are payable to:
Who will report and remit premiums? <input type="checkbox"/> Broker <input type="checkbox"/> TPA <input type="checkbox"/> Policyholder <input type="checkbox"/> Other:
Who will submit renewal data? <input type="checkbox"/> Broker <input type="checkbox"/> TPA <input type="checkbox"/> Policyholder <input type="checkbox"/> Other: