

Village of Caledonia RFP

2022

**R&R Insurance
Services, Inc.**

Carmen Winkelman
Employee Benefits Consultant
Carmen.Winkelman@rrins.com
262.569.6246



R&R
INSURANCE

Executive Summary

As the consultant who will lead the team dedicated to the Village of Caledonia, I understand the Village needs a partner who will have the expertise, experience and services to design, implement, and administer a benefits program that is both fiscally sound and comprehensive for your organization. One that makes the Village of Caledonia a “Best in Class” organization within its community.

R&R Insurance Services is genuinely engaged in collaborating with Wisconsin public sectors. Selecting the right consulting partner is pivotal to the success of the Village of Caledonia’s administrative team and employees. R&R Insurance offers a unique combination of expertise, and resources as well as a commitment to service with a personal touch many other firms’ lack.

Our team is comprised of talented employees with in-depth insurance knowledge, experience and analytical expertise. This experience allows the Village of Caledonia to make informed, evidence-based decisions in the constantly changing world of healthcare.

We will communicate at a level that makes sense for not only decision-makers, but also for the end-users of your benefits program. Capturing all that we do and what sets us apart from our competition, is difficult to present on paper. We appreciate the opportunity to build a long-term and mutually successful relationship with the Village of Caledonia. We look forward to continued discussions and the opportunity to help you realize your strategic vision.



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a. Provide a brief history of your firm including size, volume of business, locations, number of years in business and business philosophy.

R&R Insurance was established in 1975 with five original owners and is approaching half a century of experience partnering with businesses in Wisconsin and employers across the country for their long-term employee benefits needs and more. After 47 years in business, R&R Insurance continues to grow under the leadership of Ken Riesch. R&R is the largest independent, private, family-owned agency in Wisconsin, as well as one of the largest agencies serving the needs of businesses and individuals in the Midwest. We are not beholden to shareholders or venture capital firms but to our customers.

Our corporate headquarters is Waukesha, WI. Our other office locations include Neenah and West Bend.

R&R operates as a full service agency with comprehensive, strategic business units:

- Employee Benefits
- Wealth Management
- Property & Casualty
- Cyber Security
- Personal Lines
- Bonding

We serve close to 20,000 customers including, 1,100 Employee Benefits group clients. Our team of nearly 200 insurance professionals allows us the ability to remain responsive to technology, utilize innovative solution-based resources, and consistently do what is necessary to obtain and retain customers while helping them optimize their benefits programs. At the same time, we are able to maintain the 'personal touch' customer service our clients have come to know and expect.

We'll collaborate with the Village of Caledonia to ensure that your program best serves the objectives of your organization. Whether it be reviewing contribution strategies of the medical plan, or evaluating that the network provides good, appropriate coverage for all members in all locations, R&R will research all appropriate options and offer recommendations that will best meet your needs and optimize your overall spend. Communicating new programs, educating clients and keeping you ahead of the constantly changing insurance marketplace is integral to our services.

Additionally, R&R is a member of Assurex Global™ (<https://www.assurexglobal.com>), a consortium of 52 of the largest independent brokers across the U.S. Our partnership provides expansive local and regional market intelligence, costing information, and availability of additional physical presence if needed. Through our participation in Assurex Global™, we have access to their proprietary data. We synthesize each carriers' reports to create an overall marketplace index of your plan in relation to the offerings of similarly situated employers based on size, industry, location and plan design.

Mission Statement and Strategy: *R&R is an organization dedicated to giving superior service to our customers. By building and valuing a team based on honesty and respect, all customers, internal and external, will be rewarded with peace of mind, our final product.*



b. Describe the visibility and influence of your firm in the employee benefits field.

Since 1975, R&R Insurance Services provides consultation and service to approximately 100+ public sector clients. As one of a very small number of recognized and endorsed agencies by the League of Wisconsin Municipalities (LWMM) and Wisconsin Association of School Boards, R&R is well penetrated and experienced in public sector consultative work.

We continue to make significant investments in talent, technology and training to remain at the forefront of the change and challenges faced within the employee benefits industry. As The Knowledge Brokers, we provide complimentary, monthly, educational webinars on a myriad of topics such as COBRA, Health Savings Accounts, Medicare, Mental Health and Wellness, etc. A driving force at R&R is our dedication to being an industry leader and an educational resource to our customers.

Additionally, our advancements in technology are second-to-none. We are able to effectively conduct monthly meetings, open enrollment, quarterly educational sessions, lunch and learns all in person, via Zoom or utilizing green screen technology. All benefit and educational information is available digitally as well.

As our environment becomes increasingly complex, we train and educate our staff members to be positive representatives of the insurance industry. This is a required commitment to be a part of the knowledge broker team.

c. Include whether your firm is engaged in other lines of business.

Employee Benefits: we help education institutions and HR professionals manage costs, remain compliant, invest in employee wellness, manage risks and retain employees.

Wealth Management: long-term planning is crucial to the financial success of any business, institution or individual. R&R Insurance can help you achieve your financial goals by asking the tough questions.

Property & Casualty: we will help keep your college, staff & faculty and assets safe—free from the risk that can drive up your operating costs.

Personal Lines: we offer families competitively priced insurance products and provide exemplary claims services to help protect what you have worked so hard for.

Bonding: our agency has the capacity and experience to provide a full range of surety bonds. We have over 30 years of experience with a variety of clients. Our strong professional, long-term relationships with many of the major bonding companies allows us to offer the most appropriate bonding solutions for your institution.

FIRM HISTORY AND EXPERIENCE



d. Provide an annual report or other documentation exhibiting the financial health of your firm, including profit and loss, assets and liabilities and other relevant information.

In 2021, R&R Insurance Services, Inc. is celebrating its 46th year in business serving the insurance needs of our clients. During that time, we have demonstrated a consistent growth curve and a strong history of creating jobs in the communities we serve. We are proud of that heritage. We have made public to our employees a five-year strategic plan underpinned by continued investment in talent, technology and tools to best serve our customers, supported by tactics and strategies to grow our business across all segments.

We believe in fully transparent relationships with clients; however, as a privately held firm, we do not release financial statements. We are happy to have our CFO discuss this decision further with the Village of Caledonia if necessary.

e. Disclose any conditions that may impact your ability to fulfill contractual obligations (e.g., bankruptcy, pending litigation, planned office closures, impending mergers).

R&R Insurance does not anticipate any conditions that may impact our ability to fulfill contractual obligations within our Company at this time; however, we would always handle such changes accordingly and continue to have our clients' best interest when it comes to their insurance needs.

f. Disclose whether there are any disciplinary actions on file with the state insurance commissioner against your firm.

No disciplinary actions are on file with the state insurance commissioner against R&R Insurance Services, Inc.



Wisconsin's Largest Family-Owned Independent Agency: R&R Insurance Waukesha Headquarters

ACCOUNT TEAM QUALIFICATIONS



- a. Provide an overview of the account team that would be assigned to the Village. For each member of the team, provide highlights outlining qualifications and relevant experience. Provide a summary of roles and distribution of responsibilities.



Carmen Winkelman | Employee Benefits Consultant

Qualifications: Associates Degree in Business Management – Madison Area Technical College

Experience: Carmen has over 20-years of experience in the insurance industry, providing Employee Benefits programs and solutions to both large and small businesses.

Responsibilities: Carmen is committed to working on ways to improve the wellbeing of employees in an effort to increase employee satisfaction and productivity, while at the same time driving down healthcare costs for controllable conditions.



Jen Dash | Client Service Manager

Qualifications: BS, Rehabilitation Psychology – UW Madison

Experience: Jen brings over 15 years of knowledge in the group benefits industry.

Responsibilities: Jen manages all aspects of the marketing and renewal process and recommends solutions for clients. She will serve as a primary contact for the Village and be responsible for account management. She will coordinate and facilitate carrier communications and paperwork, provide client education of carrier products and services.



Chad Robinson, FAHM | Director of Analytics

Qualifications: B.S. Kinesiology/Exercise Science, UW-Oshkosh

Experience: Chad brings over 15-years of knowledge in the group benefits industry, with a majority of those serving as an Analyst for Humana Insurance Company. His extensive background working on all aspects of medical benefits (claims processing, customer service, underwriting, etc.) affords him the advantage of knowing the financials behind the benefits.

Responsibilities: Chad works closely with our clients and carriers to ensure all financial aspects of your employee benefits plans are working as intended.



Taylor Hahn, CHES | Health & Wellness Consultant

Qualifications: Masters of Health Education, Walden University | B.S. – Health & Wellness, Kaplan University

Experience: Taylor brings over 3-years of knowledge in the health and wellness industry and is dedicated to the resources that will determine the needs of your company as well as defining the strategies and tactics to achieve the goals of your wellness program.

Responsibilities: Taylor becomes part of your Wellness team and assists in taking wellness to the next level for both the Village and its employees.

ACCOUNT TEAM QUALIFICATIONS

**Pete Frittitta, MBA | Manager, Client Strategic Services & Compliance**

Qualifications: MBA, B.S. – Business Administration, Marquette University

Experience: Pete has more than 30-years of experience in-group benefits. His value has been built on a foundation of industry experience that includes finance, operations, administration, market research, advertising, product development, and compliance.

Responsibilities: Pete helps manage your healthcare costs and monitor compliance. His value has been built on a foundation of industry experience.

**Alyssa Martner | Sr. Client Marketing Coordinator**

Qualifications: B.S. – Creative Writing & Marketing, UW-Whitewater

Experience: Alyssa brings over 5-years of experience in the marketing industry and helps to provide clients with materials that are unique to the client and in a way that they are best able to understand.

Responsibilities: Alyssa works in the group benefits department to create and provide effective marketing material to clients. These communications can range from informative one-pagers, PowerPoint presentations, video material, customized material for recruiting and retaining employees, etc.

**Liz Johnson, CLTC, FFM | Medicare Specialist**

Qualifications: MBA Healthcare Administration – American Intercontinental University; B.A in Political Science – St. Norbert

Experience: Liz has over 15-years of experience in the health insurance industry. Prior to joining R&R, she spent two years with a health insurance company specializing in network provider contracting and customer relations.

Responsibilities: Liz helps Medicare eligible employees review and evaluate their options when it comes to enrolling in Medicare or remaining on the group plan. She helps individuals understand the “Alphabet Soup” that is Medicare and what timelines and penalties they need to be aware of.

**Dave Lancaster, CEBS, CLU | Executive Vice President of Employee Benefits**

Qualifications: BA - Risk Management, UW-Madison

Experience: Dave brings more than 30-years of insurance experience in managing insurance operations, agency relationships, and team development.

Responsibilities: Dave oversees the Employee Benefits Practice. He has multiple years of experience in both property & casualty and employee benefits management roles.

ACCOUNT TEAM QUALIFICATIONS



b. Describe your approach to the ongoing training of your staff.

Our Employee Benefits division has developed customized training modules surrounding specific benefit topics such as COBRA, Medicare, Employer Compliance, Health Savings Accounts, Health Reimbursement Accounts, 1095-C process, Wellness Rates, etc. The training provides basic content knowledge followed by an interactive quiz. Passing the quiz allows the member to attend the hands-on training. During the training session, attendees apply what they have learned. Eleven modules are available with several filed and approved by the State of Wisconsin as accredited for state licensing continued education requirements. In addition, these training modules are used with clients that have a desire to learn more about any of these specific topics.

Our firm encourages employee development by covering the cost of courses that lead to specific insurance designations and then providing an incentive bonus to those that have achieved a designation. Our position as *The Knowledge Brokers* is supported by the emphasis we place in continuing education and delivering the training in a manner, which yields applying what has been learned.

c. Explain the relationship between the account team and Village staff. What are your expectations for Village staff as it relates to your ability to successfully provide consulting services on the Village's benefits offerings?

It is our expectation that the R&R team will build a level of trust with the Village of Caledonia to the point of being viewed as an extension of your employee benefits team. That level of partnership is developed with fully engaged client staff and continued communication regarding the needs of your active and retiree population.



a. Describe at least two innovative strategic solutions you have implemented for clients similar to the Village that highlight your benefits consulting expertise.

At R&R, we consistently keep our partners informed of innovative solutions and build them into your multi-year strategic planning. Several of our innovative successes center on cost containment and employee consumerism. We have a deep understanding of trends and keep our client informed of innovative strategies like:

- **Direct Primary Care:** A billing and payment arrangement made between patients and providers, while removing claims from the insurance. This strategy also includes an enhanced healthcare experience for each member/patient.
- **Medical Bill Auditing:** Annual audits conducted by CMS note 95+% of facility claims have errors. This equates to 7-10% of billed charges as errors that should have not been charged by the facility.
- **Independent Third Party Administrators that include Second Opinions & Quality vs. Cost Education/Communication:** There is an extreme need for more transparency in healthcare. As consumers, we purchase all things based on quality and cost. The current healthcare system does not deliver this information in order for patients to be true consumers. There are TPA's that will provide this concierge service to patients and is proving to be successful.
- **Centers of Excellence Recommendations:** Simply put, these facilities are the highest quality at the lowest cost (i.e. the best value).
- **Bundled Pricing Arrangements/Direct Provider Contracting**
- **Prescription Drug Carve-out Arrangements:** Often times, it is cost advantageous to implement a PBM arrangement separate from the TPA that administers the medical claims. Carve out arrangements provide more competitive contractual terms.
- **Specialty Drug Optimization Programs:** Specialty drugs represent 2% of utilization and 40% of the pharmacy spend. Specialty drug spend increased 100% over the past 5 years. There are PBM's that include Patient Assistance Programs aimed at covering 100% of the cost of specialty medications. This provides the ability for the member to receive the medication for free and the plan to pay nothing as well.
- **Population Health Management:** an approach to health that aims to improve the health of an entire human population.
- **Rx Copay Optimization Programs:** Non-specialty, high-cost drugs, create further financial challenges for plan sponsors. There are PBM's that include daily surveillance which identifies alternative reimbursement opportunities to reduce spend by utilizing available programs to substantially reduce the cost of these medications and pass the savings onto the plan.
- **Value-Based Pricing:** A Cost+ arrangement vs. the common, Cost with % Discount off, arrangement
- **Wellness Programs that include Behavior Based Outcomes:** Outcomes-based programs are a more aggressive approach to Wellness. Healthy employees are rewarded for being and staying healthy. Research shows that this model is effective at making people improve their health. It can also help accelerate a healthy cultural shift within the organization.
- **Group Captive Arrangements:** is an insurance company owned and operated by captive members, strictly for the benefit of those members. It enables middle-market employers to increase their underwriting credibility through the benefits of collective purchasing power.

b. Describe your internal mechanism for ensuring customer satisfaction with your services.

R&R ensures customer satisfaction by providing clients with dedicated licensed representatives that understand the intricacies of their specific employee benefits plans. By remaining in constant communication with our partners, we are keenly in tune with their needs and continually monitor satisfaction as they align with agency and your organization's standards.

While we can tell you a lot about what we can do for your organization and your staff and their families, our best testament to this comes the clients directly. Below is a sampling of unsolicited compliments we have received recently:

Employees we assisted with Benefits questions:

- *"As I indicated, I am very impressed with your knowledge and ability to guide me in my decision making."*
- *"You're always extremely responsive and helpful. Lord knows I need all the help and guidance I can get!"*
- *"I REALLY appreciate all the help!! It's been a stressful time with all of this when it should really just be happy. I can't tell you how much I appreciate your assistance and the efforts you put in to help."*
- *"You are amazing!!! Thank you so much... again! I really appreciate all of your help. Thank you. Thank you. Thank you."*

Employer Group HR Contacts commenting on the assistance of their Service Team Members:

- *"You are the absolute BEST!!!! The epitome of amazing customer service. What a help you have been during all the changes this year. "*
- *"Our Client Service Manager is responsive, polite and very thorough in his answers to my questions. He appears, to me, to be very patient – he might be screaming inside at my question 😊 – but he's always helpful, professional and is definitely a subject matter expert. I shared with him today that I appreciate having his expertise so readily available. You guys are the best!"*
- *"Thank you very much for this; it was extremely helpful to us. We continue to experience great things from your organization and just wanted to let you know that it is appreciated."*
- *"She is right on top of any question I ask. If she doesn't know the answer, she is always ready to "dig" into it and get me the correct answer, and in a timely manner. Her professionalism, organization, and her willingness to help in all areas have been extremely top-notch! She is truly an asset to your organization! My experience with R&R so far has been exemplary!! I look forward to a long-lasting working relationship!"*

- c. **Detail your firm's experience on similar engagements; please include a summary describing three (3) similar and relevant past projects managed by the account manager to be assigned to the Village of Caledonia. These examples should include a summary of each project and results achieved.**

The following pages will include three different case studies that outline different scenarios with multiple clients in which we have helped them reduce their health care spend and implement cost saving strategies. To effectively achieve these outcomes, we utilize a myriad of resources as these situations are a team effort—something R&R greatly believes in. The case studies included in this proposal will showcase account management as well as our analytic, compliance, wellness and communication expertise.

Innovation, Trends & Planning

- Employee Navigator – benefits & HR Administration under one program
- ALEX® - real time benefits decision support tool
- Assurex Global™ - membership that provides national resources for multi-location organizations
- Legislative Liaison – serves on Health Advisory Council by WI Commissioner of Insurance, knowledgeable of legislative impacts on employee benefits

Communication

- Customized Benefit & Enrollment Guides – including plan specific video content
- Consumer Tip Sheets – informs members to best utilize benefit plans
- Customized Recruitment Flyer – promote organization's benefits & culture
- Staffed Medicare Specialist – navigate options for employees & their families to best fit needs

Wellness

- Staffed, Certified Health & Wellness Consultant
- Maximizes carrier wellness resources & value they bring employees
- Assess company culture, develop wellness goals & establish milestones that work within budget
- Attend meetings with Wellness Committee and assist with employee communication

Analytics

- Staffed Analytics Team
- Benchmarking data to help employers determine how benefits stack up to competition
- Customized software solution to evaluate plan options & develop employer strategies including HRA/HSA contribution modeling – all in real time
- Risk decision support tool to project costs from fully-insured to self-funded with ability to model different stop-loss levels
- Claims analysis software that provides detailed information into drivers of claims costs – the who, what, where & why of costs

Compliance & Regulatory

- Staffed Compliance Director
- Year-round HR/Compliance seminars offering SHRM PDC credits
- Personalized compliance documents/kit – specific to organization's benefit plans
- Online HR library resource
- Proprietary tools that simplify compliance
- Compliance Gap Analysis

Service Team

- Insurance Concierge Team – employee resource & employee advocacy on benefits
- Day to day support for company HR/Benefits team
- Full vendor/carrier management including marketing efforts
- **Premier Agency** designation with top insurance carriers that helps provide additional resources & support to our clients



MUNICIPALITY HEALTHCARE COSTS

CASE STUDY



THE SITUATION

Located in Southeast Wisconsin with approximately 140 benefit eligible employees, the Village faced high cost claims and increased health care spend.

THE SOLUTION

The selection of R&R Insurance Services, aka *"The Knowledge Brokers"* to partner with as their benefit consultants.

THE PROCESS

The R&R team analyzed the Village's current benefits package and budget to help prioritize their goals. Working together, they developed a strategy to control health care costs with the implementation of a wellness program.

THE TOOLS

The R&R **Wellness team** dug deep into multiple wellness programs to help control healthcare costs and get employees engaged. They determined how best to design a cost effective yet employee participation driven incentivized program with the implementation of Go365.

The **Analytics team** reviewed plan designs and contribution strategies to help both with providing competitive health plans and cost savings.

The **Communication and Wellness team** conducted multiple meetings to help engage employees to help reach the Village's goal of Silver Status or higher.

THE RESULTS

After partnering with R&R Insurance Services, and implementing a wellness program by introducing Go365, after the first three months of participation, R&R Insurance helped 19.3% of employees reach Silver Status or higher with 65.7% participation in at least one aspect of the program.

THE BOTTOM LINE

R&R is persistent in helping the Village reach 70% employee engagement by October 1, 2022. The increased engagement will further help the Village reduce their health care spend.

We welcome the opportunity to have a conversation with you.

the **knowledge** brokers™

Located in Waukesha, Neenah and West Bend
(800) 566-7007



SCHOOL DISTRICT HEALTHCARE COSTS

CASE STUDY



THE SITUATION

Located in Southeast Wisconsin with approximately 400 benefit eligible employees, the District faced a 29% increase in health care spend.

THE SOLUTION

The selection of R&R Insurance Services, aka "*The Knowledge Brokers*" to partner with as their benefit consultants.

THE PROCESS

The R&R team analyzed the District's current benefits package and budget to help prioritize their goals. Working together, they developed a long-term strategy to control health care costs.

THE TOOLS

The R&R **Analytics team** dug deep into the District's health plan, employing various tools at their disposal, to review such areas as contribution strategies, claim utilization, and comparative plan analysis using DPI data. They determined how best to design a cost effective yet competitive health plan for the District.

The **Wellness team** assisted in developing wellness incentives for employees. After one year, participation rose to 70% and currently participation has soared to 80%. This has helped drive down costs.

The **Communication team** employed a clear and comprehensive education initiative using customized videos, onsite meetings, and mobile device technology providing access to benefit information for teachers, staff and the Board.

THE RESULTS

After partnering with R&R Insurance Services, the 29% increase turned into a \$296,000 savings the first year. Based on high engagement in the new wellness program, the District received an 8% Wellness Credit saving \$501,000 in the second year. R&R worked with the District to self-insure and is conservatively expected to save \$685,000 in the third year.

THE BOTTOM LINE

R&R helped this District save approximately \$1,482,000 dollars over three years!

We welcome the opportunity to have a conversation with you.

the **knowledge** brokers™

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(800) 566-7007



SCHOOL DISTRICT HEALTHCARE COSTS

CASE STUDY



THE SITUATION

Mid-sized school district in Wisconsin with approximately 275 benefit eligible employees—the District faced continual increases in benefit costs and faced a \$500,000 ACA penalty from a government audit from a time period before they partnered with R&R.

THE SOLUTION

The selection of **R&R Insurance Services, aka "The Knowledge Brokers"** as a consulting partner for their benefit program.

THE PROCESS

The R&R team analyzed the District's current benefits package and budget and helped prioritize their goals. Working together they developed a long-term strategy to control health care costs.

THE TOOLS

The R&R **Compliance team** gathered information regarding the ACA penalty and assisted the District in putting together revised information that the government was missing. Their \$500,000 penalty was reduced to \$11k.

Our **Analytics team** used its comparative plan analysis tools which helped the District move to self-funding for its dental program, resulting in tens of thousands of savings. R&R also used its robust analytical software program to model the impact of moving their health plan to a self-funded arrangement which has resulted in strategic clinic and wellness programming and significant savings.

Prior to moving to self-funding, the **Benefit Consulting team** utilized its expertise and skilled negotiation techniques with the District's carrier for a flat renewal in the first year with us. In subsequent years, R&R used its marketing capabilities to provide competitive bids with a second year rate cap with other carriers. Finally, in working with the **Analytics team**, the timing was right to help the District move from a 5% increase on their fully-insured plan to an 11% decrease with a self-funded health plan.

THE RESULTS

After partnering with R&R Insurance Services, the District saved approximately \$35,000 on their self-funded dental plan. Via our carrier marketing skills, R&R limited the District's healthcare spend by almost \$390,000 while fully insured. Additionally, with the move to a self-funded plan, the District is estimated to save \$500,000 compared to if they remained fully insured.

THE BOTTOM LINE

R&R helped the District reduce their healthcare spend by over **\$900,000** and avoid **\$489,000** in ACA penalties.

Give us a call. We welcome the opportunity to have a conversation with you!

a. Provide an overview of your approach to strategic planning for your clients.

R&R will collaborate with you to develop a three-year strategic plan outlining your goals as they relate to plan design, premium contribution strategies, and wellness initiatives, among other topics with the goal of projecting your year-to-year costs. We accomplish this using multiple reports, including an in-house Loss Ratio Analysis Report that provides you with a snapshot of how your costs are trending.

At R&R, we firmly believe that the way to control cost is to have a plan and stay proactive in this ever-changing world of employee benefits. We have seen great success with clients who have committed to this strategic approach.

Continuous Strategy Throughout the Year



b. Provide an overview of your account support and administration services, including enrollment coordination and ongoing support for Village employees. What makes your customer service unique?

Account Support & Administration: Our service philosophy is completely engineered to make administering your benefits an easier process. We do this by providing consultants who educate clients on the marketplace and innovative trends to further assist them with their benefit planning efforts. We know that selecting benefits is just the beginning of the process. Benefits are not valuable if they are not effectively communicated and understood by the audience.

As a result, we develop a Benefit and Enrollment guide while incorporating video elements to assist in educating employees on how to become a better consumer of healthcare and truly understand the programs offered. In our industry, *"a benefit not understood is a benefit not appreciated."* It is vital to our customer service model that our clients understand and can effectively communicate their benefit package to current and future employees.

Beyond the benefit renewal process, we assist our clients and their employees with benefit questions and claims issues that arise throughout the year. We act as an extension of our client's HR Department and assist with research in areas ranging from health claim processing to billing issues, plus many areas in between.

The Village of Caledonia will have a dedicated Concierge Team for your HR staff and employees to contact.

Communication & Consumerism: We clearly recognize that employee communication is an ongoing commitment and not something that starts and ends with open enrollment. We work collaboratively with our clients to determine their needs as it relates to benefit communication throughout the year. This is done by simplifying written and verbal communication and providing video content to clearly explain the intended messages and serve as an extension of your benefits department. We will deliver on this commitment through the following approaches of promoting, educating and advocating:

- Conduct employee educational meetings to increase consumer awareness in their healthcare choices as well as assist with enrollment meetings
- Assist, create and coordinate employee communications further to educate staff in understanding the full value and benefits of the plans offered
- Proactively provide ongoing information on benefit trends and changes in the industry and promote consumerism with better education and resources for employees
- Provide direct service staff to assist employees/dependents of the Village in resolving claims/eligibility issues as well as answering general benefits questions

Our service platform is based on personalized, hands-on support and consultation utilizing an in-house resource team. Our agency provides a number of communication methods and avenues to reach all Village of Caledonia personnel.

Benefit & Enrollment Guide / QR Codes: we develop a personalized guide and incorporate video elements to assist with educating employees. Mobile accessible via QR code makes our communications more accessible to employees and their families. Our Benefit Guide is FAR more robust than what Vilas County has been given by the past. Our Guide has live links to SBCs, provider searches and carrier marketing pieces. Our videos help explain the benefits and the QR code makes it mobile friendly. Additionally, the Guide includes contact information for your R&R team.

- **Video Capabilities:** we record communication messages on a host of topics to enable clients to share information to employees via the web. This capability allows a greater reach and consistency. The video content also allows us to reach enrolled spouses and covered dependents.
- **Presentation Style:** an attribute is our keen awareness to the style and delivery of benefits communications. With understanding that adults tend to be more visual with their learning, we cater our content to be more simplified to process, yet convey a strong message
- **E-communications / E-newsletters:** monthly electronic newsletters are emailed to clients providing trending topics; R&R also has a presence on most major social media platforms (LinkedIn, Facebook, Twitter, YouTube, and a Blog). Learn more at myknowledgebroker.com/
- **Seminars/Webinars:** free to attend, monthly webinars address the latest trends in Employee Benefits and OSHA citations; in-person seminars provide interactive training in Medicare, HSA/HRA, Prescription Drugs, etc.
- **R&R/Zywave Client Portal:** web-based client portal which allows you to receive information from our agency online and you're able to participate in Employee Benefits surveys to find out how you compare to others from around the country.
- **BENEFITPITCH®:** is a database of various stage vendors that sell products and services to self-funded employers, benefit brokers, and consultants. BENEFITPITCH® allows you to research companies, bookmark vendor information, and provide feedback on vendors in the database for other benefit professionals to see. The Assurex Global™ version is available only to partner firms.

Recruiting & Retaining Talent: At R&R, we know how important it is to attract talent. Our Employee Benefits Sr. Client Marketing Coordinator can work with you to develop a one-page "recruiting benefits summary." The purpose of this document is to highlight the benefits offered while giving an insight to the culture of your organization.

It serves as an excellent document to email a candidate prior to a phone interview. A nice way of marketing all that you have to offer to generate and create excitement about your organization while promoting the value you place on the benefits offered.

c. Describe the marketing approach and methodology for soliciting coverage quotations on behalf of the Village?

First and foremost, we select vendors that meet our customer's needs. We are not beholden to any vendor—our loyalty and focus are on our customers. With that said, we specialize in evaluating, negotiating with and recommending insurers and providers to our clients. Our position in the marketplace allows us to enjoy preferred financial arrangements with insurance vendors and third-party administrators across the United States. We actively cultivate long-standing relationships with major carriers, and those relationships allow us to negotiate aggressively and obtain cost-effective proposals for our clients.

As we negotiate with vendors, we will utilize Applied Benefits Designer and Claros, which are actuarial-licensed software R&R has invested in. to examine loss history, establish the necessary types of coverage consistent with risk tolerance, choose carriers that provide superior services, and adopt the optimal funding mechanisms to meet specific needs.

Additionally, our monthly claim reporting allows us to monitor how the Village's plan is running. This proactive, consistent evaluation prevents surprises at renewal and allows us to negotiate on behalf of the County early in the renewal process.

We have established rigorous vendor management and selection criteria for our vendor relationships and recommend a selection based on the following considerations:

- Overall service & quality
- Experience in administering network-based programs
- Commitment to continuous quality improvement processes
- Experience in administering multiple option health programs
- Quality of communication materials (e.g. coordination of benefits, subrogation, etc.)
- Responsiveness of group representative
- Cost efficiency
- Responsiveness to client feedback
- Professionalism of response to RFP
- Willingness to adapt to changing needs & circumstances
- Adequate staffing ratios
- Superiors network coverage in relation to location of Vilas County employees

If/when the times comes to make a change in carrier or vendors, your dedicated benefits team will manage the implementation process and ensure that all of the necessary paperwork and filings are taken care of.

d. Describe how you would determine areas of improvement and cost savings solutions.

Carmen's role as your Employee Benefits Consultant is to essentially serve as the quarterback of the team, overseeing all aspects of your benefit plan. She will collaborate with the Village of Caledonia to ensure that your program best serves the objectives of the Village while meeting the needs of your employees. Whether it be reviewing the contribution strategies of the medical plan, or evaluating that the network provides good coverage for all employees, Carmen will research all appropriate options and offer recommendations that will best meet your needs and optimize your overall spend. Carmen's role includes communicating new programs, educating clients and keeping you ahead of the constantly changing insurance marketplace.

Additionally, our Analytics team will take various approaches to work with your medical and pharmacy carriers to collect and analyze your claims throughout the year. We are able to use our analytic resources very effectively utilizing Decision Master® Warehouse (DMW), Claros and Zywave analytical tools, we will provide you with rigorous levels of analysis and ensure there will not be any unexpected costs.

- **Claros:** software tools to assist in multiple aspects of the actuarial and underwriting process. We use these tools to assist clients in the full insured vs. self-funded discussion providing those with simulation (up to 10,000 trials) based expectations and outcomes. We also conduct in depth discussions around plan design options including the corresponding financial impact and employee behavior shift.
- **Decision Master® Warehouse:** Enables us to eliminate potential problems, determine the underlying causes, and develop effective solutions. Decision Master Warehouse's Health Plan Management Report offers over 70 management exhibits that are easy-to-use and understand to detect problems with your medical utilization or plan costs by comparing your costs to national norms of similar employers. DMW's powerful querying module, Drill-Down, analyzes the critical components of your data in multiple ways. Drill-Down can answer nearly any question you may have regarding your claims experience. These results will help you formulate focused strategies for reducing utilization and costs. DMW's Alternative Modeling allows us to experiment with plan design alternatives, and most importantly, determine how plan changes can lead to savings.

Contract

	Mail	Retail	Retail 90
Brand	25.50%	17.75%	25.50%
Generic	87.00%	82.25%	87.00%
Specialty	18.75%	18.75%	18.75%

Ingredient Cost:
\$1.087M

Actual

	Mail	Retail	Retail 90
Brand	25.09%	19.35%	N/A
Generic	83.41%	85.34%	N/A
Specialty	21.15%	19.52%	N/A

Ingredient Cost:
\$1.047M (-\$40K)

e. Describe your capabilities in ongoing plan performance monitoring, plan performance forecasting, claims experience analysis, benchmarking, and reporting.

Plan design conversations are a year round process and not limited to just an annual analysis. We believe that having these conversations regularly allows changes to be made when the time is optimal for the Village of Caledonia. We will utilize our Claros Analytics software to highlight potential cost savings/exposures well before the renewal and on a multi-year basis. This creates the long-term flexibility needed to implement plan funding and stop loss changes when they best fit the business and operational goals of the Village. Together we can play offense verses reacting defensively after the fact.

Through monthly claims analysis and market trends R&R will be acutely aware of potential risks for the Village. This will include, but is not limited to, reviewing claims information, medical management reports and direct conversations with the TPA/Stop Loss Carrier to ensure future exposures are known and prepared for. In addition to monthly claims reports developed and reviewed by our Analytics Department, R&R will run annual reports utilizing the Decision Master Warehouse software to ensure the plan is working as designed without unintended cost drivers impacting your financials. We believe that claims data is a key source of insight for care patterns, cost drivers, and strategic direction that will be most beneficial to the Village of Caledonia's overall costs of benefits. R&R believes that claims data should be looked at multiple times a year.

Monthly / Quarterly Carrier Claims Reporting:

- All major carriers provide online access to various levels of claims data; R&R has access to information made available by the carrier via our Premier Agency Status
- R&R employs full-time Financial Analysts within the Professional Services Team who have spent many years working for a medical carrier reviewing and analyzing medical claims data
- Review annual costs to assist in developing a renewal strategy
- Provide recommendations to accommodate ever-changing claims utilization and costs
- Use software solutions to review plan design and claims utilization to ensure the design is effective and efficient

Applied Benefits Designer:

- Interactively evaluate health insurance plan design options in minutes
- Guide you through complex and difficult decisions due to rising costs, tighter budgets and consumer-driven healthcare—all in real time
- Dynamically and interactively fine-tune plans to meet your goals
- Gain consensus on plan design sooner by answering questions on the spot

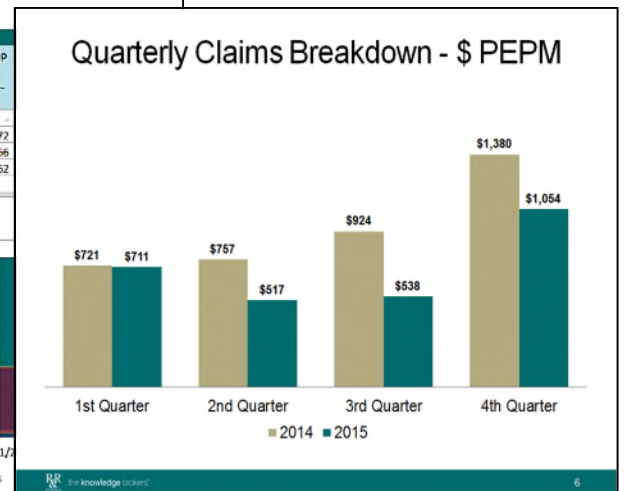
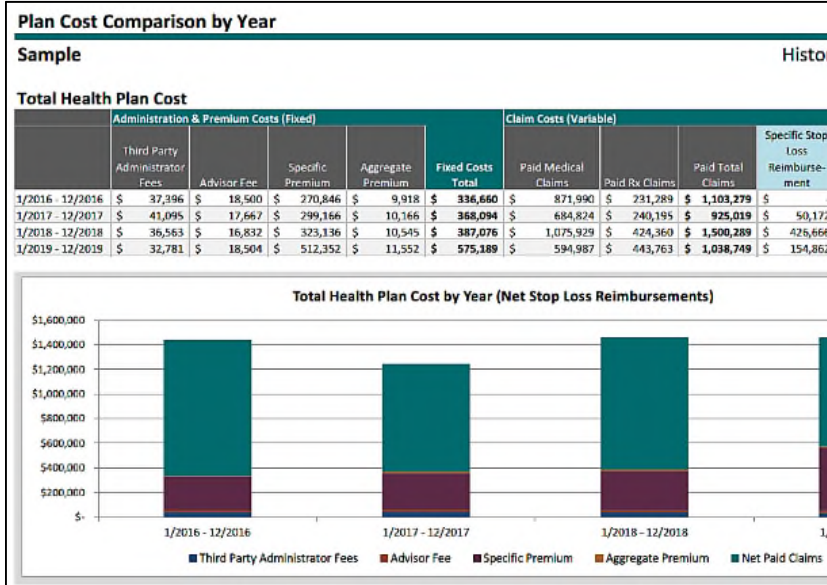
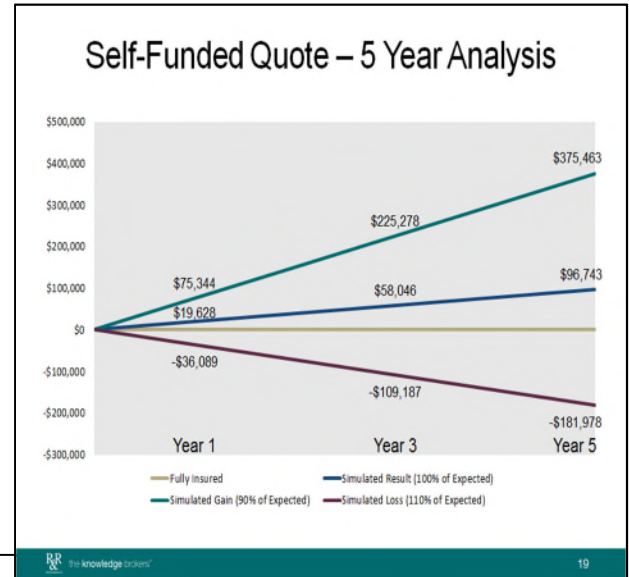
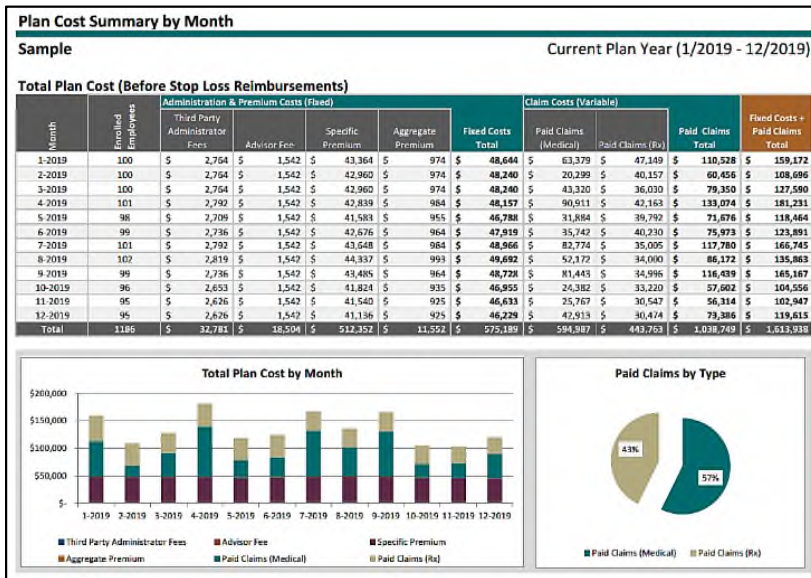
Claros:

- Analyze multiple factors directly impacting medical benefits
- Analyze the decision between Self-Funded and Fully Insured plan costs
- Run/test multiple stop loss scenarios to find the optimal outcome based on risk tolerances
- Provide guidelines to future costs based on projected plan changes

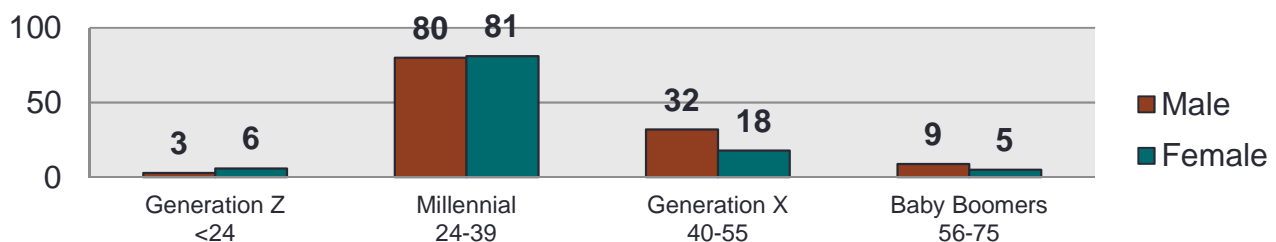
Decision Master® Warehouse:

- Eliminates potential problems, determines the underlying causes, and develops effective solutions
- Offers over 70 management exhibits that are easy-to-use and understand to detect problems with your medical utilization or plan cost by comparing your costs to national norms of similar employers
- Analyzes critical components of your data in multiple ways

In an effort to provide a snapshot of our analytic capabilities, the graphics below show a variety of reports and assessments our team can provide. We have the systems in place to breakdown spending and prescription utilization and use this information to educate staff and to consider plan modifications.



2021 Eligible Employees – 234 Total

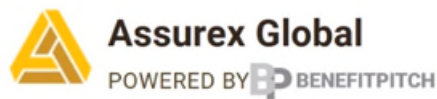


f. Describe your use of technology to support online employee services and education.

The use of technology to create efficiencies for organizations is an ever-changing landscape, and that is no different in regards to employee benefits programs. R&R takes a customizable approach to develop the best platform to meet the specific needs of our clients.

The technology we employ compliments our service offerings well and will make the benefits administration offered by the Village of Caledonia more user friendly and efficient—saving time and money.

- **BENEFITPITCH®:** a database of dozens of employee benefits vendors that sell products and services to employers. R&R Insurance utilizes this database to properly research companies, benchmark vendors' side-by-side and gather feedback on vendors to help assure the right carriers are being offered.
- **R&R/Zywave Client Portal:** offers employers an online portal providing them 24/7 access to important benefits information. Employers can access robust HR guidance information, compliance updates, benefit benchmarking data and a host of other features.
- **Green Room Technology:** allows R&R to create customized benefit videos regarding your benefit plans and/or specific topics such as Health Savings Accounts (HSAs).
- **InsurLink:** Online portal; access is encrypted and is HIPAA compliant (document management).
- **ALEX®:** helps employees make smarter choices about important life events, from selecting a health insurance plan and saving for retirement to managing finances or a leave of absence. By walking your employees through complicated decisions, ALEX's interactive SaaS employee communication software also saves HR staff time, money and headaches.



g. Describe the steps you anticipate will be needed to ensure a smooth transition if you are selected as the new Agent of Record.

If selected to partner with the Village of Caledonia, R&R Insurance will develop a strategic timeline and use our proprietary Onboarding Process to establish our relationship and service plan development. After submitting an Agent of Record transfer letters to the carriers, we will gain access to all plan documents for our benefits team to review and begin building a clearly communicated current benefit platform. The next phase will involve our team meeting with the Village to ensure all plan information is appropriately documented. We will strive to understand how you view your program as part of your overall total compensation approach. We will learn what you have done in the past, understand your current goals, and listen to your future objectives.

From here, the benchmarking and plan analysis phase begins. The transition process we use is all-inclusive and will provide an in-depth look at the full benefit program offered by the Village of Caledonia. We have found that over time, portions of benefit programs are forgotten or have become unclear and investing time upfront, with deliberate onboarding, cleans the slate for all involved. This will ensure that your employee benefits program is coordinated with your long-term organization objectives. Then, we work together to create an Annual Service Plan that lays out each plan year in terms of your quarterly goals. The Annual Service Plan is the backbone of our consistent delivery and communication. As your partner, we will establish specific goals, both short-term and long-term, and develop methods for implementing these strategies. Additionally, a Stewardship Report, delivered annually to your executive team, provides an annual assessment of R&R's performance and holds us accountable to the objectives outlined in your service plan.

Furthermore, we utilize our Premier status with the carriers to get you out to market quicker. We would ensure that as we assess other carriers, network facilities, plan design offerings, and funding options that they are all in line. Working with the Village, the team would certify that goals for the benefit plan are met while gathering the required data and information: census, summary of benefits and coverage (SBCs), renewal rates, any claims data available to get the Village out to market as soon as possible. Leveraging our carrier partnerships, we would expect bids to be within 14-21 days, allowing us to create a formal proposal to the Village of Caledonia in August. This timeframe would allow the Village time to approve, and complete implementation paperwork and annual enrollment meetings. Our agency goals would include a smooth transition, clear communication, quality benefit offerings, and cards to the members in October.

h. Describe any additional service options that may be of interest to the Village.

Medicare: As your employees become eligible for Medicare, they have additional options for their health coverage. R&R Insurance's Medicare Division can help them navigate the road of options and determine the best route for their future. Our Medicare team assists employers and employees in making budget conscious decisions on their Medicare options.

Our experts are available to your employees reaching Medicare eligible age, as well as employees who may have questions about their older parents' needs.

Medicare Part D Notices: The Centers for Medicare and Medicaid Services (CMS) require employers that offer prescription drug coverage to notify their Medicare eligible participants of the creditability status of the prescription drug coverage contained in their health plan. This notification must be provided by October 15th of each year.

As a service to help our clients comply with this employer obligation, R&R Insurance confirms with each client's insurance carrier whether their plan(s) provide(s) credible coverage or non-credible coverage. R&R Insurance also provides the appropriate Medicare Part D Notices that need to be distributed by October 15th of each year to their Medicare eligible participants as well as to newly eligible Medicare enrollees and members throughout the year.

Retiree Support: In our experience, helping our clientele properly mitigate the ongoing risk of retiree medical benefits is critical to the overall financial health of the employer and benefits program. The retiree health plan is evaluated on a continuous basis, similar to the Active Employee health plan through various cost containment measures such as, but not limited to claims analysis, RX audits, provider disruption reports, network discount & utilization reports, claims repricing and/or 3rd party retiree healthcare vendor models available in the marketplace.

We support our client's retiree population by communicating the importance of programs targeted at their preventive care, wellness initiatives and case management through ongoing education. In addition, we have Medicare specialists on staff throughout the year, presenting at seminars or individual one-on-one meetings, to explore the optimal Medicare options for that individual. R&R's Medicare Staff not only offers help navigating retirees through the complexities of Medicare, but also alleviates the Village of Caledonia's future claim liability by successfully redirecting costs off the Employer sponsored health plan, onto Medicare.

i. Consultant may provide a portfolio of work as a separate attachment or web link to highlight past work as it applies to these services. Please identify the account manager for each sample portfolio or work provided.

For additional information and resources, visit our custom [Village of Caledonia landing page](#).

a. Does your firm provide and/or support corporate wellness initiatives? Have you had experience with wellness programs in municipalities?

R&R has had experience implementing successful wellness programs with municipalities. Our dedicated Health & Wellness consultant, Taylor Hahn, will work directly with the Village if there is a desire to start or re-ignite a wellness program. There is a continuum when it comes to wellness and it doesn't have to involve extensive budgets. We are able to offer webinars and create videos to allow the Village to be informed as necessary and when applicable. We provide clients with up-to-date wellness communications/services including: benchmarking and surveys, vendor management, biometrics scheduling, and reporting.

Most recently, we implemented a wellness program for a municipality and achieved 60% employee engagement in just three months after launching—see timeline below for additional details.

Municipality Client Wellness Program Implementation 2021

April:

- Helped client set up biometric date with Froedtert
- Demoed the Froedtert portal with challenges, articles, pricing, etc.
- Client decided to keep biometrics date but not pay for the formal portal with Froedtert

June

- Client had onsite biometrics

August

- Reviewed biometrics with client
- Future planning based on aggregate results
- Demoed Go365 to the wellness committee
 - Discussed potential launch, calendar of events, EAP, etc.

September

- Began implementation papers for Go365 launch
- Attended wellness committee meeting

October

- Decided on October 15th requirement date for premium
- A biometric completion, HRA completion, and Silver Status is the threshold for wellness
- Client did not want onsite biometrics
- Effective premium for Jan. 1, 2023 will be raising 12%-25% for non-wellness
- The previous \$200 reimbursement wellness incentive program will be sun setting
- Completed presentation for Go365 launch

November

- Launched Go365 with two employee meetings (Jan. effective launch)

2022

January: Attended wellness committee meeting / 60% engaged employees in first month

b. Describe programs that you can provide to your clients that foster employee wellness including their costs if they are not included in the annual fee.

Each employee population and organization's culture is unique and R&R recognizes the need for customization when developing a wellness strategy for each of our clients. R&R has been on the cutting edge of delivering wellness strategies to our groups. Based on our recommendations, many of our current clients have implemented multi-step wellness initiatives with measurable success in a number of areas.

We will support the Village of Caledonia in a variety of ways, including:

- Assessment of current wellness programs and making recommendations on how to expand and improve the programs to create a culture of health and productivity;
- Development of multi-year health and productivity strategies and budgets to achieve measurable health and productivity gains;
- Creation and implementation of data driven health and productivity based programs that support and enhance the Village of Caledonia's multi-year health strategy;
- Identify health and productivity programs that will be put out to bid: conduct RFPs, select wellness partners, negotiate and outline scope of work along with pricing; and
- Assist in developing incentive programs tied to current or future health and productivity programs that will increase participation, engage employees and encourage behavior change.

The success of a wellness program can be determined in many different ways depending on what the desired end goals are. R&R will work with your team to help track employee engagement as well as analyze biometric data that most often directly impacts claims costs year-over-year. By tracking and analyzing data, we are able to determine whether the existing wellness program has proven to be successful or not. If changes are recommended to improve the overall employee base, R&R will assist with creating a strategic plan around wellness, which in turn will help to drive costs down and make the overall employee base more knowledgeable and healthier employees.

Free Wellness Challenges to Run Internally

- Blog and written content to distribute to employees
- Free wellness program that focuses on preventive wellbeing but is administered internally
- Potential platform costs \$3.85/PEPM (plus rewards incentives)
- Any additional vendor adds would occur a fee

We have continuously developed our own program and have received awards both on a national level as well as on the local level, including the WELCOA Workplace Award, the UnitedHealthcare Wellness Award and the Go365 Inspire Health Award—silver and gold level with Humana.



a. How do you support your clients in ensuring they remain compliant with relevant federal and state laws?

R&R made a business decision early on in the process to establish an in-house expert and resource to be available to our partners as Reform moved from a concept to reality. Within our Practice, Pete Frittitta, Manager of Client Strategic Services, is responsible for consultations on health and welfare compliance. As an example of Pete's service and expertise, he has already evaluated the cash in lieu program offered by Vilas County. He noted that if the program is unconditional, i.e. no proof of other insurance, the cash value needs to be calculated in the affordability component for 1095-C reporting. Monitoring affordability and offering guidance with ACA reporting is something your R&R team will do.

Pete is a past President of Wisconsin Association of Health Underwriters (WAHU) and is an active member on the speaking circuit as a healthcare reform expert. He taught "Employee Benefit Systems" at both the Graduate and Undergraduate levels as an Adjunct Faculty Instructor at Marquette University. Pete has over 30 years of experience in the employee benefits field including management roles at United Healthcare where he was responsible for the large accounts business block. He also supports our Client Data Analytics area which puts him in a unique position to best understand our customer's needs and what their exposure and options are in the post Reform era.

Healthcare reform is changing daily as clarifications and new regulatory interpretations surface. It is imperative that you have up-to-date information available in the most simplified fashion possible. Pete's charge is to ensure that our clients are as well informed as possible since they are making business decisions impacted by Reform. Specifically, R&R can provide compliance guidance in the following legal areas with the resource support as detailed:

- **COBRA:** R&R Proprietary Employer Guide to COBRA, Compliance Overviews, COBRA State Guidelines, COBRA Benefits Policy Template, COBRA Election Form, COBRA Notice Form, Q&A Briefs, Access to best-in-class third party COBRA administrators
- **HIPAA:** PASSPORT Document Management System, HIPAA Privacy & Security Employer Toolkit, Compliance Overviews, Model HIPAA Notice, Q&A Briefs, "Know Your Benefits" Employer to Employee Communications
- **Cafeteria Plan/Section 125:** Compliance Overviews, Salary Reduction Agreement Form, Election Form, Enrollment Form, Change Request Form, Q&A Briefs, Access to best-in-class third party Section 125 administrators
- **ERISA:** ERISA Compliance Kit (includes Summary Plan Descriptions for each plan, ERISA Notices and deadlines, etc.), Employer's Guide to Understanding Fiduciary Responsibilities, DOL Audit Guide, DOL Audit Checklist, Compliance Overviews, Wrap Document
- **FMLA:** Employer Guide to FMLA, FMLA Policy Template, DOL Poster, Notice Form, Request Form, Provider Certification Form, Sample Letters, Compliance Bulletins and Overviews, Access to best-in-class third party FMLA administrators
- **ACA/Healthcare Reform Law:** ACA Updates and Overviews, ACA Checklists (Various), ACA Guides (Various), "Know Your Benefits" Employer to Employees Communications, FAQ Briefs, Form 1094-C/1095-C Employer Reporting Tools (training video, tracking tool, and report generation for paper filing with IRS), Proprietary "Affordability" Safe Harbor Analyzer, Various Other ACA Calculators

b. Describe how your firm maintains the security of client records.

R&R has taken a number of steps in order to comply with HIPAA from both a recordkeeping and a technology-security perspective. In addition to executing the appropriate Business Associate Agreements, R&R has,

- InsurLink: HIPAA compliant document management system for online collaboration and document sharing; access is encrypted.
- On-staff Cyber Expert, Jason Navarro, leads IT tests and works with customer groups to mitigate risk
- Internal policies and procedures to ensure that HIPAA requirements are met to safeguard PHI
 - Example: R&R's policies require that confidential medical information be kept in files that are locked after business hours and are not left unattended during business hours. Additionally, R&R's PC network settings are set so that computer screens will time out with a password lock when not in use for more than five minutes, again, for compliance with HIPAA privacy as well as security reasons. All computers also have two-step multifactor authentication.
- Trained all management/supervisory staff regarding HIPAA requirements
- Trained all Benefits staff regarding HIPAA compliance; yearly refresher training and signed acknowledgement of R&R policies and procedures
- R-Post® Registered/Encrypted E-mail to provide secure transfer of PHI when necessary (secure and traceable email system)
- Encrypted laptops
- Encrypted all employee smartphones (having access to client/carrier email communications)
- All consultant offices equipped with individual locked-door entrances

c. Describe your consulting and educational services in legal compliance.

R&R Insurance Services has retained the services of von Briesen & Roper, S.C. for the expertise they provide in the area of Employee Benefits/HR compliance and Labor Law issues. von Briesen & Roper provides experience-advising clients on a wide range of employee benefit, labor and employment law issues.

This experience enables R&R to advise clients on human resources (HR) law issues taking into consideration all areas of opportunity and vulnerability, including the litigation of HR law-based claims. They have extensive experience in advising employers in Employee Benefit plan design, issues associated with ill and injured workers, labor negotiations, and multi-employer health and welfare plan and pension plan vulnerability, ERISA compliance, and fiduciary matters.

a. Describe how you receive your compensation; do you receive commissions from vendors or are you fee-based or both?

R&R has the flexibility to engage in all forms of compensation for our services witnessed in the marketplace today. As your Broker of Record, you will have the assurance that you are insulated from compensation increases tied to inflationary medical premium increases that may or may not actually require more service from your broker. Our commitment is to be 100% transparent with our clients, to deliver our full breadth of resources and services, and focus on the quality of our services and not the compensation from servicing.

For the Village of Caledonia, we have provided a Service Agreement Fee proposal that you will find at the end of this proposal. This fee was calculated by taking into account the Village's lines of coverage and employee count, along with the resources (software, marketing materials, compliance support, etc.) and the hours that we anticipate will be required to exceed service expectations.

At R&R Insurance, we have our client's financial interest in mind by implementing full-disclosure fee models so that our clients can trust that we, as your Broker of Record, always act in a professional and ethical manner and do not make decisions based on potential commission incentives.

b. Has your firm been subject to any lawsuits or settlements specific to compensation disclosure or practices within the last five years?

R&R has not been subject to any lawsuits or settlements specific to compensation disclosure or practices within the last five years.

- c. **Based on the information provided and the services requested, what is your proposed annual fee? Please make certain to identify any services mentioned in your proposal that are not included in your proposed fee. (services that would be an additional expense as well as optional services that may be purchased as add-on services).**

The type and amount of compensation that R&R will receive will depend on what compensation arrangement is finally negotiated with the Village of Caledonia. R&R has the flexibility to engage in all forms of compensation for our services witnessed in the marketplace today. Cases of your size typically compensate on a fee for service basis, particularly for medical coverage, and we would recommend the same to best insulate you from inflationary medical premium increases that may or may not actually require more service from the broker.

Furthermore, we have prepared a fee for service approach to handling your account which can be found in the attached Service Agreement which also contains our Scope of Services. This fee was calculated by taking into account the Village's group medical plan employee count, along with the resources (software, marketing materials, compliance support, etc.) and the hours that we anticipate will be required to exceed service expectations. Our fee is designed to be fair and reasonable compensation for the work and services necessary and it will be guaranteed for the period of two years (24 months) from the agreed upon inception of the contract. The fee will be billed monthly (different terms can be requested). It is inclusive of the current benefit configurations outlined in your RFP based on the information we have been provided to date. We are proposing that R&R would receive standard carrier commissions for any other employer-sponsored lines of coverage as well as any voluntary lines of coverage. As stated previously, different compensation arrangements can be negotiated.

Additionally, we remain open to discuss and consider any other options with the Village based on your wishes and objectives. In any instance that may require an offline fee, we will outline this upfront and clearly communicate scope, expectations, and cost prior to engagement to protect and promote full transparency.



Service Agreement

R&R Insurance Services, Inc. for Village of Caledonia

Whereas R&R Insurance Services, Inc. (referred to as “R&R”) operates insurance agencies and related businesses which procure numerous lines and types of insurance products and provide related brokerage services to its customers; and,

Whereas, Village of Caledonia (referred to as the; “Client”) wants to engage R&R to provide specified benefit services in exchange for the fees outlined in this Agreement,

Now, therefore, the parties hereto agree as follows:

1. The term of this agreement will commence on JULY 1, 2022 and shall remain in effect until JUNE 30, 2024 unless terminated earlier as provided herein.
2. This agreement is open to review at any time by either party. Either party can terminate this agreement with ninety (90) days advance written notice which will provide the specific date of termination. Fees will be paid through the date of termination.
3. R&R will receive a monthly fee to be billed in monthly installments, effective JULY 1, 2022 according to the following stated fees.

PERIOD	TOTAL	MONTHLY
JULY 1, 2022 – JUNE 30, 2023	\$37,908.00	\$3,159.00
JULY 1, 2023 – JUNE 30, 2024	\$37,908.00	\$3,159.00
JULY 1, 2024 – JUNE 30, 2025	Fee Increase Not To Exceed 7%	

4. The fixed fee is in lieu of standard agent commissions normally paid to R&R by any carriers involved for Client’s group-sponsored medical coverage. If self-funded, this includes stop-loss coverage, pharmacy benefit coverage, medical management services, and third party administration services.
5. R&R will receive standard agent commissions for any group-sponsored ancillary lines of coverage and any voluntary lines of coverage.
6. R&R may receive compensation in the form of fees and/or commissions for the insurance brokerage services, risk management services, consulting, employee benefits and financial services planning provided to clients. R&R may also receive additional compensation from certain insurers, wholesalers, and insurance markets with whom it places business and to whom it provides services. This additional compensation may be based on or computed according to a variety of factors including, but not limited to, the overall volume of business placed, size of placements, growth, business retention, and/or profitability.



7. A significant change (+/- 15%) in the number of eligible employees may require a modification of the fees. This will be based off of a confirmed eligible count in effect as of the commencement date of this agreement.
8. This agreement and fees cover all the listed services in the attached Scope of Services. Fees for additional services requested or required by the Client will be separately negotiated.

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Village of Caledonia

(Print Name)

(Title)

(Signature)

(Date)

R&R Insurance Services, Inc.

David Lancaster
(Print Name)

EVP, Benefits Practice
(Title)

(Signature)

(Date)



Scope of Services

For

Village of Caledonia

It is the intention of R&R Insurance Services, Inc. to provide the specific services as outlined below for the Employer Sponsored employee benefits programs. This arrangement is assured over the policy term, and is sustained by the compensation arrangement previously disclosed in this Agreement. The Services in this agreement include, but are not limited to:

Strategic Planning / Marketing

- Develop near-term and long-term benefit and health management strategies with Client leadership
- Market evaluation (all lines as needed and mutually agreed upon)
- Bidding/negotiating for employee benefit coverages and related vendor services
- Comparative proposal (all lines)
- Recommendations
- Contribution modeling

Health Management/Wellness

- Wellness plan design
- Coordination of biometrics screening and/or other wellness program vendors
- Review of aggregate biometrics screening report/benchmarking
- Onsite visits to go over the results of biometric screening and recommend wellness strategies

Compliance/HR Support

- Legislative support
 - Identify and advise on basic federal notice and disclosure requirements that apply to group health plans and/or employees under various employee benefits and employment laws
 - Monthly newsletters and breaking news alerts
- Annual Compliance Review
- Analysis/Response assistance with IRS Letter 226-J proposed ACA employer penalties (ESRP)
- Human Resource support tools
 - Access to *R&R/Zywave Benefits Client Portal*, webinars, and updates
 - Access to *Assurex Global Passport*, HIPAA-compliant web portal interface for R&R/Client data-exchange
- Access to Assurex Global Partners' programs (including free monthly compliance webinars)

Reporting

- Monthly claims analysis reporting
- Plan design analysis and benchmarking
- High cost claimant monitoring
- Cost projections and modeling

Account Management /Service

- Assist in bringing resolutions to questions and issues that are identified by Human Resources Team
- Conduct open enrollment meetings and prepare employee communications
- Assist employees with benefits questions and claims concerns
- Day-to-day support
- Medicare Consulting Services

NOTE: The stated fees do **not** contemplate the following: COBRA administrative services; Flex/Section 125 administrative services; ERISA Plan Document Administration services; Form 5500 filing preparation services; electronic enrollment platform/services such as *Employee Navigator*; enrollment decision support platform/services such as *ALEX*; FMLA administrative services such as *Leave Solutions*; or any special audit or actuarial services that may be required.