Weekly Meeting ▪ Discuss reports and format for program activity ▪ Present quality assurance measures for customer services ▪ Update on testing files	C of PA Aon Consulting & Partners	5-21-07
Weekly Meeting ▪ Announce program using Intranet, posters newsletter, home mailing ▪ Finalize contract and other agreements	C of PA Aon Consulting & Partners	5-28-07
Weekly Meeting ▪ Review any outstanding issues ▪ Submit eligibility file	C of PA Aon Consulting & Partners	6-4-07
Weekly Meeting ▪ Program Kick-off	C of PA Aon Consulting & Partners	7-2-07

(b) *Provide a marketing strategy for the initial notification to participants of the new program and recruitment of participants.*

The Commonwealth of Pennsylvania would review and approve all communications that are sent to employees for any of the products offered by Aon Consulting and its partners. The initial announcement to employees would be a series of home mailings to include an announcement letter, postcard, brochures highlighting products offered and instructions for participation. If a newsletter is available, we could include an article announcing the program.

The marketing strategy we propose consists of the following:

Web Services – A customized informational web site will be developed to support the informational needs of the employee population. This site may be linked to the Commonwealth's web-site for easy employee access.

E-mail notifications – If the Commonwealth has the ability to support periodic e-mail notifications, we will work with the Commonwealth's IT staff to help support the marketing/communication effort.

Scheduling of group meetings – We will prepare a suggested rollout schedule based on size and location of the sites for group meetings. The schedule will be approved/modified by the Commonwealth. Aon Consulting and its partners will contact managers at each group meeting site to develop an onsite schedule that is acceptable to the location management personnel. We will discuss with each location when or if it is appropriate to visit the location periodically to be available for newly hired/eligible employees.

Call Centers will open – Based on the initial kick-off dates and when onsite meetings will commence.

On-site meetings - Will require a significant period of time to ensure all locations that wish to utilize on-site services are accommodated. We estimate that at least 4 months may be required to visit every location.

Closing notice – As the initial enrollment period closes, a "reminder" postcard will be sent to employees at home to be certain that all employees and eligible dependents have the opportunity to participate under the favorable underwriting conditions. Thereafter, only newly eligible employees will have favorable underwriting.

Periodic Service Visits - During initial conversations with departmental/agency heads, Account Managers will develop a schedule to return to meet with existing participants and/or newly eligible employees, if permitted by the Commonwealth. Aon Consulting's partners, Farmington and Risk Management Solutions of America, Inc., will employ a number of full-time representatives to support the product offerings on an ongoing basis.

In structuring a communications plan for the Commonwealth, we will devote the necessary resources that best serve the employees and will make the program successful for all concerned.

(c) *Provide samples of typical communication materials that the Offeror may provide under this program.*

See Appendix Section

(d) *Provide details regarding media to communicate the plan to employees.*

Please see question 2b.

(e) *Explain how the Offeror will transmit electronic interface files to begin, change, and stop payroll deductions. Indicate that the Offeror agrees to provide the data elements in the order and format required by the Commonwealth to update the HR Payroll system. Include software, data elements for the file. See Part IV for the minimum required data elements and transmission format.*

Aon Consulting's partners, Farmington Administrative Services or the carriers, can perform the administrative functions associated with the Life and Health programs. Farmington or the carriers can provide a file of deductions to be uploaded to payroll on a bi-weekly basis (either full file or a change only file). A similar process will be installed for Travelers and Purchasing Power. Each will submit a bi-weekly bill file, which shows the deductions for each employee. Payments to the carriers/vendor are expected bi-weekly. Farmington, the carriers, Travelers and Purchasing Power have flexible interface systems that will accommodate the Commonwealth standard file format for eligibility files and bill/remit files.

3) Administration

(a) *The benefits provided under this contract are voluntary and enrollment is contingent upon the Offeror providing benefits at a competitive rate and communicating the value of such benefits to employees. As such, the Commonwealth will not agree to minimum participation requirements for any benefits provided under this RFP.*

There are no participation requirements for the Auto and Home program, Computer Purchase programs or the Universal Life program. The Allstate Cancer Insurance program requires 3 approved applications and the ING Whole Life and Accident programs require 25 approved applications (each).

(b) *Provide the implementation date of the most recent substantive changes to the Offeror's administrative processes/procedures for managing benefits claims. If a change is contemplated between the date of the submittal and the end of the contract period, provide a brief description of the changes and the anticipated implementation dates.*

No recent changes have been made and none are contemplated at this time. Farmington, Travelers and Purchasing Power employ accurate and responsive administrations procedures for managing all aspects of the programs they offer.

(c) *Provide a marketing strategy for new hires in the ongoing administration of this contract.*

Please see question 2b. New hires are eligible to participate in the Auto and Home program at anytime. To purchase a computer from Purchasing Power, the new hire must be employed at least 12 months. If appropriate, we would periodically visit each location to be available for newly hired employees to enroll.

(d) *Provide a marketing strategy for annual open enrollments.*

Please see question 2b. A similar approach to the initial enrollment will be utilized with a concentration on newly eligible employees, especially where favorable underwriting may be impacted.

(e) *Provide details regarding the various types of media that will be used to communicate with employees in the ongoing administration of this contract.*

The primary media for communications will be through written and printed communications sent in various ways. This may include internal, inter-departmental distribution, US Mail, e-mail, newsletters, website updates, Internet, Intranet and inclusion in other Commonwealth benefit communications.

(f) *Describe how the Offeror will communicate all plan and premium changes to the insured. Describe how this will be communicated to the Office of Administration and how much notice will be provided.*

The Office of Administration can be notified of plan and premium charges that the carriers implement. Normally, the notice is 30 days prior to the program's anniversary date. The insured will be notified of premium changes through the mail. Insureds who participate in the Auto and Home program receive policies prior to the policy expiration date. The renewal policy will include any pricing change.

(g) *Part IV requires the Offeror provide a single website specific to the Commonwealth plan of benefits. Indicate whether the Offeror provides on-line enrollment. If not, explain why on-line enrollment is not provided. The Offeror's response should address any legal or administrative concerns with online enrollment. If the online enrollment functionality impacts the proposed premiums, the Offeror must include this in the separate Cost Submittal. No information regarding cost proposals should be included in the Offeror's response. If there is an impact on the proposed premiums, the Offeror must include this in the separate Cost Submittal.*

Aon Consulting and its partners will provide a customized website for the products. The Auto and Home program will have a website link where employees can get information and a premium quote. Auto insurance can be enrolled online. Other Personal Lines products are enrolled through a toll-free call to Travelers. The Employee Computer Purchase program will also have a website link for information and placing an order.

(h) *Part IV requires the Offeror provide a single toll free customer service number. Describe how many customer service representatives will be handling phone calls solely for Commonwealth employees. Describe the hours of the Offeror's customer service department. Describe how the Offeror handles evening and weekend calls. Describe any special facilities available for the hearing impaired or for those where English is a second language.*

Commonwealth employees will have a dedicated toll-free number for the Life and Health products being proposed. Therefore, the program administrator, The Farmington Company, will know when a call is coming in from one of your employees. The call will be routed to an individual who is aware of the Commonwealth's product offerings, and will be able to communicate effectively. Farmington has the unique ability to reassign client services and/or field personnel as calls are tracked from Commonwealth employees. A systematic roll out and staggered group meetings onsite will also make for an efficient communication and enrollment experience. Farmington's hours of operation are 8am-6pm EST and they have 93 employees who service clients.

Travelers and Purchasing Power have customer service centers where employees can call for inquiries or to place an order. Travelers has a single toll-free number which connects to enrollment counselors, service representatives and claims specialists. Claims may be reported 24 hours; Travelers has 2,500 claims representatives. Policy service representatives (400 in Glen Falls, NY and Spokane, WA) are available 8am to 11pm Monday to Friday and 8:45am to 5pm on Saturday. Licensed enrollment representatives (100) are available 8:30am to 8pm Monday to Friday and they are located in Knoxville, TN.

Purchasing Power has 25 representatives that answer inquiries from employees and their hours of operation are 24/7.

(i) Describe quality assurance parameters the Offeror has in place.

Farmington monitors and listens to a random sampling of recorded calls that are received from employees for Quality Assurance purposes. All formal complaints will be escalated immediately to managerial personnel and will be handled appropriately and timely. Employee satisfaction surveys are conducted. Travelers and Purchasing Power deal directly with employees and they maintain high quality standards in their call center operations. Telephone counselors for Travelers are evaluated on 8 calls per month that are reviewed by management. Service quality is constantly measured by:

- Call monitoring for speed of answer, politeness, professionalism
- Written customer satisfaction surveys

- Verbal surveys while customers on the phone
- Monitoring for call abandon rate
- Internal standards for policy issue time, accuracy and claim payment
- Written surveys for customers with claims

(j) *Indicate if the Offeror uses silent call monitoring for its customer service representatives, and at what frequency. Describe the steps that are taken if representatives provide erroneous information or act in an inappropriate manner.*

Please see previous answer. If a customer service representative provides wrong information or acts in an inappropriate way, and it is brought to the attention or discovered by management through quality assurance measures, the client is contacted to correct or apologize for the matter.

(k) *Describe how member questions and issues will be addressed through the Offeror and the procedures and guidelines that will be used to escalate the problem to the next level of supervision/management; describe the level at which the Commonwealth will be notified.*

All complaints and concerns are immediately escalated to a supervisory level. Aon Consulting will be involved in resolving any complaints or problems that are referred by the carriers and vendors or by the Commonwealth.

Farmington, Travelers and Purchasing Power will notify Aon Consulting of any serious issues that require our intervention on behalf of employees.

(l) *Describe the manner in which subscriber eligibility, enrollment, and premium payment records are maintained. If this information varies by insurance plan, the Offeror should include any and all variances in their proposal.*

Biweekly eligibility file updates provided by the Commonwealth allow Farmington, the carriers, Travelers and Purchasing Power to know who is eligible to participate. Enrollment records are entered into a client database for future reference and customer service. Premium payment records would be maintained by Farmington, the carriers, Travelers and Purchasing Power. Each assumes responsibility for all record keeping and reconciliation of premium payments.

(m) *State the Offeror's understanding of how the self-bill process will work for employees who are on Leave Without Pay or who terminate employment. The response also should address who should be contacted regarding billing issues.*

Employees on leave would make payments directly to Farmington, the carriers, Travelers or Purchasing Power. The initial notification would be done with the remittance files that list the premium payments made by the participating employees. When an employee is no longer having a deduction, Travelers and Purchasing Power would convert the payment method to direct bill and send a bill to the employee's home. When an employee

returns to work, the deductions can be resumed. For the policies administered by Farmington, the employee would submit missed payments.

(n) *Explain the procedures for processing a claim through the Offeror. If the claim process varies by insurance plan, the Offeror should include the procedures for each insurance plan. Indicate who approves the request for benefit eligibility.*

Claims are filed with and adjudicated by each insurance carrier. The Farmington Companies would assist employees in obtaining appropriate claim forms and assist with the initial filing for the Life and Health benefits. Continued assistance would be available to serve as an ombudsman and liaison as recent privacy laws have made it more difficult to be more involved in this process. If there is a claim under the warranty for a computer, the manufacturer would be contacted by the employee for service. Personal Lines Insurance claims, such as auto and home, are reported directly to Travelers by toll-free telephone call. Travelers will service all aspects of the claim from the initial reporting to adjustment and settlement. They have 37 regional claim facilities around the country and one in Reading, PA.

(o) *Describe the Offeror's internal and external audits and controls. Explain how there systems ensure accurate billing and coverage based on eligibility data provided by the Commonwealth.*

Aon Consulting will not be involved in billing or collecting premiums. Farmington or the carriers will bill and collect premiums for the Life and Health benefits. Travelers and Purchasing Power bill and collect payments

made for their products. Each of their vendors has extensive, time-tested systems in-place to reconcile payments made by employees through payroll deduction.

The process includes controls to make sure eligible employees from the eligibility file are only being enrolled. Post enrollment data is checked and balanced prior to generating deduction information to the Commonwealth. Policy issue reports from the insurance carriers are generated and group bills are reconciled and paid on an ongoing basis. Insurance carriers are heavily regulated and their audit controls are mandated by state regulatory agencies.

(p) Provide samples of reports to be generated, without charge, clearly indicating any variances from the specifications in the RFP. Indicate the proposed frequency of the reports.

Aon Consulting through its partners will provide quarterly reports to the Commonwealth. Deduction notification files containing employee name, social security number and deduction amount are sent in a secure manner to the Commonwealth in the format required for the payroll deduction system. Deductions are taken and remitted back, processed against the amount requested and an exceptions report is generated. Exceptions are researched and corrective action taken. Reports will be provided to the Commonwealth on a quarterly basis that show claims and participation information. Customized reports are available based on the needs of the Commonwealth. Reports are provided in aggregate numbers and would not include the names of employees as there is a privacy issue.

(q) *Indicate the Offeror's willingness to provide flexibility for future changes to procedures, report formats, etc. as requested by the Commonwealth. Describe how this flexibility (or lack thereof) is consistent with the Offeror's administrative systems.*

Farmington and the carriers are willing to be flexible and accommodating as they service and interface with almost 1,000 employers. Travelers has relationships with many hundred of employers who offer their Auto and Home program. They are flexible and can accommodate virtually any reasonable request. Purchasing Power will work with the Commonwealth to accommodate its needs, as they have prior experience with a number of state governments.

(r) *Describe how all contacts with employees (e.g. phone call, letter, e-mail) and the related action by the Offeror and Insurance Carrier are tracked by the Offeror. In addition to the reports required, describe reports the Offeror will produce for the Commonwealth detailing these contacts and related action. Indicate the frequency of these additional reports.*

All calls, emails, letters and any other communications are entered and date stamped into our partners' client services database. Additionally, recorded calls may also be attached to these files. The Commonwealth would need to indicate what types of reports and what specific information they are requesting. Since the plans to be offered do not fall under ERISA and have certain privacy concerns, we would want to be compliant in our reporting. Generally, reports for the Commonwealth would indicate aggregate numbers and would not identify specific employees.

(s) *Describe how records are maintained, backed-up stored, and retrieved. Include any provisions for recovery from disaster. Explain how records are secured and how confidentiality of information is protected.*

All records are maintained electronically with appropriate back up procedures. Aon Consulting and its partners have a disaster recovery plan based on an assessment of potential risk factors that could interrupt business operations. Generally, the plan includes: identify essential equipment and personnel for immediate recovery; measures to mitigate the effects of the disaster; routing plans for call center; immediate application of back up systems; and constant review by senior management.

Section 3. Work Plan

Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours and corresponding Full-Time Equivalents (FTEs) allocated to each task.

Aon Consulting and its partners will provide the Commonwealth of Pennsylvania with the following services regarding the voluntary benefits program for employees:

- Propose quality voluntary products from experienced carriers that meet the ratings criteria established by the Commonwealth.
- Offer those products to all Commonwealth employees who are full-time or permanent part-time working greater than 50% of regular full-time hours and actively at work on the effective date of coverage.
- Administer those products with minimal involvement from the Office of Administration by providing a customer service unit that employees may call toll-free for inquiries. The customer service unit may enroll employees, answer questions, assist with claims and process deductions.

- Communicate those products by distributing materials to all eligible employees and by conducting group meetings to inform employees about the voluntary benefits being offered. We will create a customized web-site for employees to access for product information and enrollment.
- Enroll employees by taking their applications over the telephone or through the web-site or at group meetings.

If selected by the Commonwealth to offer products to employees, Aon Consulting and its partners will provide:

- A project plan timeline will be developed that lists all tasks, completion dates and the responsible party(ies).
- A communications plan will be designed to notify eligible employees about the voluntary benefits program and how to apply. The communications plan will consist of home mailings, emails, poster, Internet and Intranet, website links, post cards and newsletter articles. All materials will be pre-approved by the Commonwealth.
- Group meetings will be held at state facilities to inform employees about the program. The meetings will be scheduled and approved by the Commonwealth. Enrollments will be accepted at the group meetings. Employees may also enroll by telephone, and for some products online.

a) For each individual voluntary benefit product proposed, the following information must be provided.

Employee Computer Purchase Program

a)	**Recommended insurance carrier/provider:** Purchasing Power
b)	**Insurance product being proposed:** Employee Computer Purchase Program
c)	**Significance of product for employees and their dependents:** Employees can purchase a name-brand computer through payroll deductions. No credit check for the employee, no interest charged. Guaranteed enrollment for all employees employed at least 12 months, age 18 or older and earning at least $16,000 per year.
d)	**Detailed explanation of benefit program and level of benefits provided to members:** Eligible employee can purchase a brand new current line computer and pay for it by payroll deductions, interest free over 12 months. Computers are from the major computer manufacturers including Dell, Gateway and HP. Models include desktops and laptops. All computers come with 3 year manufacturer's warranty including in-home service.
e)	**Typical participation of product being proposed** Program is currently offered to state employees of Alabama, Indiana and Tennessee with participation rates of approximately 7% of eligible employees.
f)	**Describe the portability feature of the product being proposed:** The employee purchases and owns the computer. If the employee terminates employment prior to the 12 month payroll deduction period ending, the employee is responsible in completing the payment.

g)	**Provide a sample policy and insurance certificates for the insurance product being proposed:** N/A
h)	**Provide samples of enrollment and claim forms for the insurance product being proposed:** Enrollments are done via the web or the telephone. No enrollment forms are needed to be filled out. There are no claim forms to fill out.
i)	**Percentage of applications submitted that were approved and denied in the most recent 12-month period:** 100% of purchase orders are approved for eligible employees.
j)	**Indicate that the carrier guarantees coverage for the employee, spouse, and dependents upon initial enrollment. Describe all requirements and limitations other than during open enrollment. If there are any cost differences, provide cost information on the cost submittal.** Full-time or part-time employees who are 18 years or older, employed for at least 12 months and are earning at least $16,000 per year are guaranteed accepted in the program. This program is only offered to employees. Spouses and dependents are not eligible. Employees can purchase a computer at any time during the year.
k)	**Describe any age limitations on enrollment:** Employee must be 18 years or older to enroll in the program.
l)	**Explain medical underwriting process used to determine insurability.** This is not medical insurance, therefore, medical underwriting does not apply.
m)	**Provide Offeror's HIPAA Compliance Policy for all insurance solutions as proposed.** N/A
n)	**Indicate whether plan includes any pre-existing conditions limitation; if so describe.** Employee must be at least 18 years old, earn at least $16,000 a year and be employed for at least 12 months.

o)	**Provide the standard list of exclusions for the product being proposed.** N/A
p)	**Is there an appeals process for underwriting denials; if yes, describe.** N/A
q)	**Describe the waiting period in detail. Indicate how days are counted. Indicate if days must be consecutive.** Employee must be employed by the Commonwealth of Pennsylvania for at least 12 months.
r)	**Describe the premium waiver provision.** N/A
s)	**Describe the Coordination of Benefits feature.** N/A
t)	**Supply an Explanation of Benefits and sample EOB Message.** N/A
u)	**Provide a recommendation on which family members will be eligible to participate in the proposed benefit program.** Employee is only eligible family member. Spouses and dependent children are not eligible to enroll in the program.
v)	**Describe requirements for participants who, during the open enrollment, want to increase their coverage levels.** Employees may purchase a computer at any time, if qualified.

w)	**Explain the procedures for processing a claim. Describe the Offeror's turnaround time from receipt of a claim. List the physical location of each office involved in the claims process.** A warranty claim for servicing is made by the employee direct with the computer manufacturer. The warrant is for 3 years and includes in-home servicing.

Group Automobile and Homeowners Insurance Program

a)	**Recommended insurance carrier/provider**: The St. Paul Travelers Companies, Inc. (Travelers)
b)	**Insurance product being proposed**: Group Automobile and Homeowners Insurance Program offers individual personal insurance products including auto, home, renters, condo owners, umbrella liability, boats, valuable items, fire, flood and excess flood.
c)	**Significance of product for employees and their dependents**: Virtually every employee needs auto and home insurance; either to satisfy a loan, a state requirement or simply to protect their valued possessions. This program offers savings through special pricing not available outside the plan, additional discounts for the convenience of payroll deductions with no service charges and extended business hours beyond those of the typical insurance agency. Pennsylvania is Travelers #1 state for growth and, consequently, the rates are very competitive. Travelers is a highly regarded, well known, financially stable and trusted brand in the insurance business. Travelers has many high profile clients in Pennsylvania with over 1 million eligibles, including employees of PNC Bank, Alcoa, CIGNA, Pennsylvania Power & Light, Rite Aid, and Lancaster General Hospital. Travelers has approximately 1,000 employees in Pennsylvania servicing its clients. Travelers offers competitive Auto and Homeowners rates in Pennsylvania. Based on a Market Analysis conducted by Travelers their rates compare very favorably with the other market leaders. The analysis

compares 5 rating examples in each location and the averages are as follows:

	Travelers	State Farm	Allstate	Erie
Automobile				
Harrisburg (17101)	**$ 463**	$ 628	$ 533	$ 483
Scranton (18503)	**456**	654	563	581
Pittsburgh (15122)	**484**	500	591	579
Reading (19601)	576	700	679	**571**
Philadelphia (19102)	**917**	1,247	1,597	1,228
Average	**579**	746	899	688
Homeowners				
Harrisburg (17101)	$ 398	$ 619	$ 437	**$ 293**
Scranton (18503)	464	686	508	**379**
Pittsburgh (15122)	**421**	651	449	470
Reading (19601)	**332**	678	433	335
Philadelphia (19102)	1,050	1,234	**602**	886
Average	533	774	486	**473**

d) **Detailed explanation of benefit program and level of benefits provided to members:**

Travelers will offer employees a full array of Personal Lines Insurance products with special discounts for auto policies and the convenience of having premiums paid through payroll deduction. Additionally, employees will receive pricing credits for security devices, multi-policies, safe-driving, new home, driver training, etc.

Facts about Travelers in Pennsylvania:

- Pennsylvania is Travelers 2nd largest state with 231,388 auto policies and 296,638 home policies.
- Conversions of quotes to policies (close ratio) of 40% for auto and 40% for home.
- Market share #6 for auto, #5 for home.
- 150 pre-approved auto repair shops.
- Recent rate changes: -3.0% for auto in 12/06 and -1.7% for homeowners in 2006.
- Introduced new auto rating plan in 1/06, which produced over 20% new policies during 2006. Quantum Auto Program offers highly sophisticated, multivariate approach to underwriting and pricing. Customers receive Travelers' best possible price based on their risk factors.
- Dedicated enrollment and service centers for group programs (multi-lingual).
- 2,500 employees dedicated to personal auto and home clients.

Available discounts include:

- 5% group discount for auto
- 2% discount for payroll deduction for auto
- 10% credit for hybrid cars
- 5% credit for defensive driver courses
- 5-15% credit for anti-theft devices
- 25% new home credit
- 20% loss free credit
- 2% smoke detectors credit

e)	**Typical participation of product being proposed:** Participation would be approximately 5% of eligible employees after the first year and 15% after three years. Participation is dependent on the competitiveness of the rates and communications support to raise employee awareness about the program.
f)	**Describe the portability feature of the product being proposed:** All policies in the program are portable. When the employee retires or terminates employment the policy will be converted to direct bill and the employee will receive a bill at home.
g)	**Provide a sample policy and insurance certificates for the insurance product being proposed:** See Appendix for sample auto and home policies.
h)	**Provide samples of enrollment and claim forms for the insurance product being proposed:** Enrollment is done on the phone or on-line for auto insurance. Claims are reported by a toll-free call to Travelers. There are no forms to complete.
i)	**Percentage of applications submitted that were approved and denied in the most recent 12-month period:** Approximately 90% of auto applicants and 89% of homeowner applicants are accepted. Employees will be individually underwritten and acceptance is subject to the Travelers' underwriting guidelines. The primary reasons for an auto applicant not being accepted are excessive accidents and/or violations and license suspension. The primary reasons for homeowner applicants not being accepted are claim history and lack of fire protection.
j)	**Indicate that the carrier guarantees coverage for the employee, spouse, and dependents upon initial enrollment. Describe all requirements and limitations other than during open enrollment. If there are any cost differences, provide cost information on the cost submittal.** Coverage is not guaranteed and each applicant is individually underwritten based on his or her own risk characteristics. There is no fixed enrollment period and no minimum participation requirement. Travelers offers special pricing that is not available outside the plan.

k)	**Describe any age limitations on enrollment:** There are no age restrictions.
l)	**Explain medical underwriting process used to determine insurability.** No applicable to auto and home insurance (or any Personal Lines insurance product).
m)	**Provide Offeror's HIPAA Compliance Policy for all insurance solutions as proposed.** N/A
n)	**Indicate whether plan includes any pre-existing conditions limitation; if so describe.** N/A
o)	**Provide the standard list of exclusions for the product being proposed.** Personal Lines Insurance policies have standard policy exclusions that are filed and approved in Pennsylvania. Please see the sample policies in the Appendix Section for the standard list of exclusions.
p)	**Is there an appeals process for underwriting denials; if yes, describe.** The carrier is obligated to notify the applicant why coverage was denied. The applicant could correct any misinformation that was the basis of the denial.
q)	**Describe the waiting period in detail. Indicate how days are counted. Indicate if days must be consecutive.** There is no formal waiting period for coverage to start. Normally, an applicant will indicate when the policy is to become effective.
r)	**Describe the premium waiver provision.** N/A
s)	**Describe the Coordination of Benefits feature.** N/A

t)	**Supply an Explanation of Benefits and sample EOB Message.** N/A
u)	**Provide a recommendation on which family members will be eligible to participate in the proposed benefit program.** Dependents of the employee may apply for coverage
v)	**Describe requirements for participants who, during the open enrollment, want to increase their coverage levels.** Employees may participate at any time during the year. If a policy change is needed, the employee contacts Travelers' customer service to make a policy change.
w)	**Explain the procedures for processing a claim. Describe the Offeror's turnaround time from receipt of a claim. List the physical location of each office involved in the claims process.** Employees simply call Travelers toll-free Claim Hot Line 24-hours a day, 365 days a year to report claims to a "live" Travelers representative. Although many claim representatives work out of their homes in order to be more responsive to customers, Travelers has 37 regional claim facilities around the country with locations convenient to major population centers, including Reading, Pennsylvania. Travelers has 2,500 employees dedicated to personal auto and home claims (multi-lingual).

Whole Life Insurance

a)	**Recommended insurance carrier/provider:** ING (Reliastar Life Insurance Company)
b)	**Insurance product being proposed:** Horizon Whole Life Insurance Qualified Issue

c)	**Significance of product for employees and their dependents:** Employees, spouses, dependent children and all grandchildren can purchase a permanent Whole Life insurance policy. Unlike Term Life Insurance provided by the Commonwealth of Pennsylvania, Whole Life will not terminate when the employee terminates employment. It is fully portable. A Whole Life policy assures the coverage for a person's entire life; especially useful for final expenses and estate liquidity. It provides long-term insurance protection for employees during their working years and beyond. It provides a guaranteed death benefit with guaranteed level premiums and cash value accumulation throughout the length of the policy.
d)	**Detailed explanation of benefit program and level of benefits provided to members:** Horizon Whole Life is non-participating whole life insurance, payable to age 100 and fully portable. Minimum face amount is $5,000 and maximum face amount is $250,000 (Smoker) or $500,000 (Non-Smoker). Employees are eligible up to age 70, spouses to age 65 and dependent children and grandchildren up to age 24. The riders available with the whole Life policy are: ▪ Accelerated Benefit Rider allows the insured who has fewer than 12 months to live to receive up to 50% of the death benefit, up to $250,000, but not less than $10,000. There is no additional cost and the employee, spouse, and dependent child are eligible for this rider. ▪ Accidental Death Benefit pays an additional benefit (up to $150,000) equal to the death benefit if the insured dies in a covered accident. The employee and spouse age 15 to 60 are eligible for this rider. ▪ Children's Term Insurance covers unmarried, dependent children age 15 days to 24 years. The insured must be less than age 61. Insurance amounts range from $2,000 to $10,000 and at age 25 the Rider can be converted (up to 5 times the amount) to a Whole Life policy without evidence of insurability. ▪ Waiver of Premium is available to employees under age 56. This Rider waives the premium after the insured has been totally disabled for 4 consecutive months for the duration of the disability. ▪ Level Term to 65 allows an employee or spouse between the ages of 18 and 55 to apply for additional coverage. The additional coverage lasts until age 65 (or it can be cancelled at any time).

The employee or spouse, age 15 to 60, is eligible to apply for the Accelerated Death Benefit Rider, which provides an additional death benefit equal to the base policy, up to $150,000, if the insured dies in an accident.

Any employee, spouse or dependent child is eligible to apply for Accelerated Benefit Rider, which pays 50% of the benefit amount if insured is diagnosed by physician as having fewer than 12 months to live. The policy death benefit will be reduced by the rider benefit.

e) **Typical participation of product being proposed:**

Participation results of 30-40% are typical when communicating the program with face-to-face meetings with employees. Without these meetings, a participation of 10% is expected. A minimum participation of 25 approved applications is required.

f) **Describe the portability feature of the product being proposed:**

The employee keeps the policy when they retire or terminate their employment by paying equivalent monthly premiums directly. Coverage may continue to age 100. Spouse and dependent policies can also be continued with no decrease in benefits or increase in premiums. Policyowner decides on the payment mode including monthly checking account deductions.

g) **Provide a sample policy and insurance certificates for the insurance product being proposed:**

See Appendix

h) **Provide samples of enrollment and claim forms for the insurance product being proposed:**

See Appendix

i) **Percentage of applications submitted that were approved and denied in the most recent 12-month period:**

Approximately 90% of applications are approved.

j)	**Indicate that the carrier guarantees coverage for the employee, spouse, and dependents upon initial enrollment. Describe all requirements and limitations other than during open enrollment. If there are any cost differences, provide cost information on the cost submittal.** Employees are eligible for coverage amount of 3 times salary not to exceed $100,000, subject to 3 health questions. 1. Are you actively at work? 2. Has the proposed insured ever been diagnosed or treated by a physician for positive HIV or AIDS? 3. Has the proposed insured sought or received treatment at a hospital within 90 days of the application? Employees can apply for higher coverage amounts with additional underwriting. Spouses would be eligible for money purchase amount of $5.00 per week maximum, subject to 2 health questions (questions 2 & 3 above). The spouse can apply for higher amounts with additional underwriting. Dependent children/grandchildren would be eligible for face amounts of $12,500, $15,000, $20,000, or $25,000. All eligible children must be equally insured. Subject to 2 health questions (same as spouse).
k)	**Describe any age limitations on enrollment:** Employee: Ages 15 – 70 years old Spouse: Ages 15 – 65 years old Children: Ages 15 days – 24 years old Grand Children: 15 days – 24 years old
l)	**Explain medical underwriting process used to determine insurability.** Employees would need to answer 3 health questions for Qualified Issue. Spouses and Dependents would need to answer 2 health questions for Qualified Issue. Qualified Issue is generally available the first time they are eligible to apply for coverage. If the applicant desires higher coverage amounts. They may apply by answering additional health questions: ▪ Height and Weight

- Has the proposed Insured been diagnosed with or been treated for: any cardiovascular disease or disorder (excluding high blood pressure and functional innocent heart murmur), stroke, insulin or non-insulin dependent diabetes (excluding gestational diabetes during pregnancy only), cancer (excluding basal cell carcinoma of the skin and/or squamous cell carcinoma of skin) or benign brain tumors?
- Has proposed Insured ever been diagnosed or treated for disorder of the brain (excluding headaches and epilepsy), central nervous system disorder, paralysis, dementia, manic and or major depression, psychosis or suicide attempt?
- Has proposed insured ever been diagnosed or treated for chronic lung disease (excluding asthma), sleep apnea, organ transplant, rheumatoid arthritis, chronic blood disorder, or connective tissue disorder?
- Has proposed Insured ever been diagnosed or treated for kidney disease or renal failure, liver disease (excluding Hepatitis A), pancreatic disease, Crohn's disease, or ulcerative colitis?
- Has proposed Insured sought help or received counseling or treatment for alcohol or drug abuse and not remained substance free for 10 years.
- In last two years, has proposed Insured been put on probation or convicted of a felony, Driving Under the Influence (DUI), Driving While Impaired (DWI) or had a motor vehicle license revoked or suspended?
- In the last 12 months, has the proposed Insured had a recurrent disability, been disabled, or is disable now?

An unsatisfactory answer may result in declining any or all coverage amounts.

m) **Provide Offeror's HIPAA Compliance Policy for all insurance solutions as proposed.**

N/A

n) **Indicate whether plan includes any pre-existing conditions limitation; if so describe.**

There are no pre-existing conditions limitations