



# COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

## HEADQUARTERS

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**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

May 7, 2024

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

### **APPROVAL OF CONTRACT AMENDMENT FOR BENEFIT PLAN ADMINISTRATION AND CONSULTING SERVICES WITH CONDUENT HR SERVICES, LLC (ALL DISTRICTS - 3 VOTES)**

#### **SUBJECT**

The County of Los Angeles (County) Department of Human Resources (DHR) requests the Board of Supervisors' (Board) approval and delegated authority to execute an amendment to the Benefit Plan Administration and Consulting Services Contract No. HM-2022-6 (Contract) with Conduent HR Services, LLC (Conduent).

#### **IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize DHR's Director of Personnel (Director), or designee, to execute an Amendment to the Contract with Conduent, effective upon execution, to increase the amount of the Contract by \$14,007,397 to allow for payment to Conduent for administering the County's flexible spending accounts (FSA), for a total Contract Sum not to exceed \$76,481,986 for the term of the Contract, including the optional extensions, if exercised, as set forth in Attachment I.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On December 21, 2021, the Board approved the Benefit Plan Administration and Consulting Services Contract with Conduent. The Contract's initial term is six years, plus up to two consecutive two-year options, from January 1, 2022 through December 31, 2031. Under this Contract, Conduent provides third-party administration of County employee benefits and a benefits enrollment system; subcontractor Buck Global,

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

36 May 7, 2024

JEFF LEVINSON  
INTERIM EXECUTIVE OFFICER

LLC provides benefits communications consulting services. Both services are essential for the County to administer and communicate its employee benefit plans, FSAs, and elective annual leave benefits to over 111,000 County employees while providing administration of measurement and reporting mandates to comply with the Patient Protection and Affordable Care Act, also referred to as the Affordable Care Act (ACA). Buck Global, LLC also provides the County with consulting services for actuarial valuation and non-discrimination testing; subcontractor Edenred manages Commuter Benefit Plan services.

In November 2023, the number of County employees enrolled in the County's FSAs, including Healthcare Savings Accounts and Dependent Care Savings Accounts under Internal Revenue Code Section 125, increased from 33,930 to approximately 66,114 per month. In March 2024, DHR executed an amendment to reallocate FSA funds from Contract Year 2024 to compensate Conduent for administering the difference in anticipated accounts for November and December of Contract Year 2023. Approval of the recommended action will increase the total Contract Sum to pay Conduent for continuing to provide third-party administration of the increased number of anticipated FSAs for the term of the Contract (Contract Years 2024 through 2031). Conduent's administration of FSAs includes implementing and managing a system that allows County employees to enroll in, update, and receive communications and education about their FSAs via the County's benefits website.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended action supports Strategy III.2, "Embrace Digital Government for the Benefit of Our Internal Customers and Communities" and Strategy III.3, "Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability" of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The total Contract Sum will not exceed \$76,481,986. See Attachment I, Exhibit B (Pricing Schedule) for detailed Contract costs.

Costs for participation in FSAs are calculated at \$3.75 per person per month. The requested amount of \$14,007,397 will be allocated to the Contract as follows:

Contract Year 2024			
Item 3, Monthly Flexible Spending Account Administration Fees			
Original amount	Amendment 2 reallocation from Contract Year 2024 to Contract Year 2023	Amendment 3 recommended allocation	New amount
\$1,526,850	-\$1,022,197	\$2,645,347	\$3,150,000

Contract Years 2025 – 2031		
Item 3, Monthly Flexible Spending Account Administration Fees (per year)		
Original amount per year	Amendment 3 recommended allocation per year	New amount per year
\$1,526,850	\$1,623,150	\$3,150,000

Funding for the Contract services will be included in each fiscal year's budget. The costs of administrative, communication, and regulatory compliance services and materials under the Contract are partially offset by administrative fees paid by participating employees through payroll deductions. The remaining costs are fully offset by Intrafund Transfer and Revenue billings to County departments.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On August 9, 2023, Amendment One to the Contract was executed to include additional benefits communications services paid for using existing Pool Dollars.

On March 6, 2024, Amendment Two to the Contract was executed to address the court decision *Flores v. City of San Gabriel*, 824 F.3d 890 (9th Cir. 2016), which held that a city's payment of unused cash in lieu of benefits must be included in the calculation of the regular rate of pay. This decision resulted in the County's unions recommending that union members participate in employee flexible spending accounts in Plan Year 2023 and forward. This recommendation led to an unanticipated increase in employee flexible spending account enrollments, which created a budget shortfall in 2023.

The initial 2023 shortfall was resolved by reallocating \$1,022,197 of budgeted funds from Monthly Flexible Spending Account Administration Fees in Contract Year 2024 to Contract Year 2023. However, the shortfall is expected to continue throughout the remaining Contract term.

Upon Board approval, the Director, or designee, will execute Amendment Three (Attachment I) with Conduent to add the recommended funds to cover up to 70,000 participants for Contract Years 2024 through 2031. County Counsel has reviewed and approved Amendment Three as to form.

### **CONTRACTING PROCESS**

On October 1, 2020, DHR posted an RFP for Benefit Plan Administration and Consulting Services on the County's contracting website. Upon the Board's approval, DHR executed Contract #HM-2022-6 with Conduent, whose proposal received the highest score during evaluation.

The Honorable Board of Supervisors

May 7, 2024

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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendation will allow the County to continue receiving third-party administration services from Conduent for the increased number of County employees enrolled in FSAs.

Respectfully submitted,



LISA M. GARRETT

Director of Personnel

LMG:RC:MM

LF:MA:AS

Attachment

c: Executive Office, Board of Supervisors  
County Counsel  
Chief Executive Office

S:\\_AS\Board Letters\_Memos\2024\Conduent Amendment 3 BL – 05-07-2024

Attachment I

**COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES  
BENEFIT PLAN ADMINISTRATION AND CONSULTING SERVICES  
CONTRACT NO. HM-2022-6**

**AMENDMENT THREE**

This Amendment Three to the Contract for the provision of Benefit Plan Administration and Consulting Services is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024 by and between the County of Los Angeles (hereinafter "County") and Conduent HR Services, LLC (hereinafter "Contractor").

**WHEREAS**, on December 23, 2021, the County and Contractor entered into the Contract for the provision of Benefit Plan Administration and Consulting Services (hereinafter "Contract"); and

**WHEREAS**, on August 8, 2023, the County and Contractor executed Amendment One to include additional benefit communications services using existing Pool Dollars; and

**WHEREAS**, an unforeseen increase in Plan Year 2023 employee benefit plan spending account enrollments created a budget shortfall in Plan Year 2023; and

**WHEREAS**, on March 6, 2024, the County and Contractor executed Amendment Two to modify the Contract to reallocate Plan Year 2024 Part I Benefit Plan Administration Services budgeted funds to Plan Year 2023 Part I Benefit Plan Administration Services; and

**WHEREAS**, Sub-paragraph 8.1.1 under Paragraph 8.1 (Amendments) of the Contract provides that, for any change that affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an amendment to the Contract shall be prepared and executed by Contractor and by the Director of the Department of Human Resources (hereinafter "Director") or designee; and

**WHEREAS**, the budget shortfall in Plan Year 2023 is expected to continue indefinitely through the remaining Contract term including optional years; and

**WHEREAS**, the Parties therefore wish to amend the Contract to add \$14,007,397 to Part I Services, Benefit Plan Administration Services budgeted funds for Plan Years 2024 through 2031; and

**NOW, THEREFORE**, the County and Contractor hereby agree to amend the Contract as follows:

1. This Amendment Three shall commence and be effective upon the Director's approval with such date reflected on page one of this Amendment Three.
2. Exhibit B (Pricing Schedule) is hereby deleted in its entirety and replaced with a new Exhibit B (Pricing Schedule) revised May 2024 attached to this Amendment Number Three.

3. The revised Exhibit B (Pricing Schedule) amends Part I Services, January 1, 2024 - December 31, 2024, Section I - Benefit Plan Administration Fees, Line Item 3 - Monthly Flexible Spending Account (HCSA & DCSA) Administration Fees, to increase it by \$2,645,347 from \$504,653 to \$3,150,000, as set forth in the attached revised Exhibit B (Pricing Schedule).
4. The revised Exhibit B (Pricing Schedule) amends Part I Services, January 1, 2025 - December 31, 2031, Section I - Benefit Plan Administration Fees, Line Item 3 - Monthly Flexible Spending Account (HCSA & DCSA) Administration Fees, to increase it each year by \$1,623,150 from \$1,526,850 to \$3,150,000, as set forth in the attached revised Exhibit B (Pricing Schedule).
5. The revised Exhibit B (Pricing Schedule) amends the Total Contract Sum, to increase it by \$14,007,397 from \$62,474,589 to \$76,481,986, as set forth in the attached revised Exhibit B (Pricing Schedule).
6. Contractor represents and warrants that the person(s) executing this Amendment Three on behalf of Conduent HR Services, LLC is an authorized agent who has the actual authority to bind Contractor to each and every term, condition, and obligation of this Amendment Three.
7. Except for the changes set forth herein, all other terms and conditions of the Contract shall remain in full force and effect.

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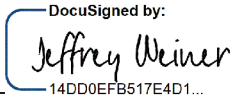
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**IN WITNESS WHEREOF**, the County of Los Angeles has caused this Amendment Three to be executed on its behalf by the Director of Personnel of the Department of Human Resources, or designee, the day, month, and year first written above.

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
Lisa M. Garrett  
Director of Personnel

CONTRACTOR:  
CONDUENT HR SERVICES, LLC

By:  \_\_\_\_\_  
Signature

Jeffrey Weiner  
\_\_\_\_\_  
Printed Name

VP, General Manager  
\_\_\_\_\_  
Title

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By:  \_\_\_\_\_  
Michael Owens  
Senior Deputy County Counsel

# EXHIBIT B

## PRICING SCHEDULE

*Revised May 2024 per this Amendment 3*



EXHIBIT B - PRICING SCHEDULE  
B-1 - Summary of Fees

**SUMMARY OF FEES**

*(January 1, 2022 through December 31, 2031)*

Benefit Plan Administration	\$ 58,592,242
Benefits Communications Consulting	\$ 10,263,772
Affordable Care Act Employer Mandate Reporting	\$ 2,601,972
Non-Discrimination Testing Consulting	\$ 351,750
Actuarial Valuation Consulting	\$ 824,250
<b>Total Fees Payable for Benefit Plan Administration and Consulting, Part I Services</b>	<b>\$ 72,633,986</b>
<b>County's Total Maximum Obligation for Optional Work, Part II Services</b>	<b>\$ 3,848,000</b>
<b>Total Contract Sum</b>	<b>\$ 76,481,986</b>

EXHIBIT B - PRICING SCHEDULE  
B-2 - Summary of Annual Fees

PART I SERVICES

	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Extension Terms Amount	CONTRACT COST
	January 1, 2022 - December 31, 2022 <sup>1</sup>	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027		January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031		
Benefit Plan Administration	\$ -	\$ 6,101,157	\$ 6,702,110	\$ 6,702,110	\$ 6,702,110	\$ 6,702,110	\$ 32,909,595	\$ 6,420,662	\$ 6,420,662	\$ 6,420,662	\$ 6,420,662	\$ 25,682,647	\$ 58,592,242
Benefits Communications Consulting	\$ 1,059,391	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 6,172,936	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 4,090,836	\$ 10,263,772
Affordable Care Act Employer Mandate Reporting	\$ -	\$ 289,108	\$ 289,108	\$ 289,108	\$ 289,108	\$ 289,108	\$ 1,445,540	\$ 289,108	\$ 289,108	\$ 289,108	\$ 289,108	\$ 1,156,432	\$ 2,601,972

	January 1, 2022 - December 31, 2022 <sup>1</sup>	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027	Initial Term Amount	January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031	Extension Terms Amount	CONTRACT COST
Non-Discrimination Testing Consulting	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 211,050	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 140,700	\$ 351,750

	January 1, 2022 - December 31, 2022 <sup>1</sup>	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027	Initial Term Amount	January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031	Extension Terms Amount	CONTRACT COST
Actuarial Valuation Consulting	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 494,550	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 329,700	\$ 824,250

PART II SERVICES

	January 1, 2022 - December 31, 2022 <sup>1</sup>	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027	Initial Term Total Maximum Obligation	January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031	Extension Terms Total Maximum Obligation	COUNTY'S TOTAL MAXIMUM OBLIGATION
Optional Work	\$ 500,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 2,360,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 1,488,000	\$ 3,848,000
Total Fees Payable for Benefit Plan Administration and Consulting, Part I & II Services	\$ 1,712,166	\$ 7,867,399	\$ 8,538,702	\$ 8,468,352	\$ 8,538,702	\$ 8,468,352	\$ 43,593,671	\$ 8,257,254	\$ 8,186,904	\$ 8,257,254	\$ 8,186,904	\$ 32,888,315	\$ 76,481,986

INITIAL TERM TOTAL FOR PART I & PART II SERVICES:	\$ 43,593,671	EXTENDED TERM TOTAL FOR PART I & PART II SERVICES:	\$ 32,888,315	TOTAL CONTRACT SUM:	\$ 76,481,986
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<sup>1</sup> Phase 1, System Implementation will take place from January 1, 2022 through December 31, 2022. System Go-Live (Phase 2 - Post Implementation) will begin on January 1, 2023.

EXHIBIT B - PRICING SCHEDULE  
B-3 - Detailed Annual Fees

PART I SERVICES

SECTION I: BENEFIT PLAN ADMINISTRATION FEES (amortized over five years)

Service Description	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Extended Terms Amount	CONTRACT COST
	Phase 1: System Implementation	Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031		
	January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027							
1. Monthly Administration Fees	-	\$ 3,148,238	\$ 3,148,238	\$ 3,148,238	\$ 3,148,238	\$ 3,148,238	\$ 15,741,188	\$ 2,866,790	\$ 2,866,790	\$ 2,866,790	\$ 2,866,790	\$ 11,467,159	\$ 27,208,347
2. Annual Enrollment Administration Fees	-	\$ 299,772	\$ 299,772	\$ 299,772	\$ 299,772	\$ 299,772	\$ 1,498,860	\$ 299,772	\$ 299,772	\$ 299,772	\$ 299,772	\$ 1,199,088	\$ 2,697,948
3. Monthly Flexible Spending Account (HCSA & DCSA) Administration Fees	-	\$ 2,549,047	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 15,149,047	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 12,600,000	\$ 27,749,047
4. Commuter Benefit Plan Administration Fees	-	\$ 81,600	\$ 81,600	\$ 81,600	\$ 81,600	\$ 81,600	\$ 408,000	\$ 81,600	\$ 81,600	\$ 81,600	\$ 81,600	\$ 326,400	\$ 734,400
5. Integrated Electronic Communication and Education System Content & Maintenance Fees	-	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 112,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 90,000	\$ 202,500
<b>Total Benefit Plan Administration Fees:</b>	-	\$ 6,101,157	\$ 6,702,110	\$ 6,702,110	\$ 6,702,110	\$ 6,702,110	\$ 32,909,595	\$ 6,420,662	\$ 6,420,662	\$ 6,420,662	\$ 6,420,662	\$ 25,682,647	\$ 58,592,242

SECTION II: BENEFITS COMMUNICATIONS CONSULTING FEES

Service Description <i>*as needed and as approved by County</i>	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Extended Terms Amount	CONTRACT COST
	Phase 1: System Implementation	Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031		
	January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027							
1. Choices New Hire/Newly Eligible Enrollment Packets*	\$ 137,918	\$ 46,022	\$ 46,022	\$ 46,022	\$ 46,022	\$ 46,022	\$ 368,028	\$ 46,022	\$ 46,022	\$ 46,022	\$ 46,022	\$ 184,088	\$ 552,116
2. Options New Hire/Newly Eligible Enrollment Packets*	\$ 132,197	\$ 56,660	\$ 56,660	\$ 56,660	\$ 56,660	\$ 56,660	\$ 415,497	\$ 56,660	\$ 56,660	\$ 56,660	\$ 56,660	\$ 226,640	\$ 642,137
3. MegaFlex New Hire/Newly Eligible Enrollment Packets*	\$ 92,428	\$ 29,776	\$ 29,776	\$ 29,776	\$ 29,776	\$ 29,776	\$ 241,308	\$ 29,776	\$ 29,776	\$ 29,776	\$ 29,776	\$ 119,104	\$ 360,412
4. Choices Annual Enrollment Packets*	\$ -	\$ 70,168	\$ 70,168	\$ 70,168	\$ 70,168	\$ 70,168	\$ 350,840	\$ 70,168	\$ 70,168	\$ 70,168	\$ 70,168	\$ 280,672	\$ 631,512
5. Options Annual Enrollment Packets*	\$ -	\$ 85,669	\$ 85,669	\$ 85,669	\$ 85,669	\$ 85,669	\$ 428,345	\$ 85,669	\$ 85,669	\$ 85,669	\$ 85,669	\$ 342,676	\$ 771,021
6. MegaFlex Annual Enrollment Packets*	\$ -	\$ 54,472	\$ 54,472	\$ 54,472	\$ 54,472	\$ 54,472	\$ 272,360	\$ 54,472	\$ 54,472	\$ 54,472	\$ 54,472	\$ 217,888	\$ 490,248
7. Flex Annual Enrollment Packets*	\$ -	\$ 44,024	\$ 44,024	\$ 44,024	\$ 44,024	\$ 44,024	\$ 220,120	\$ 44,024	\$ 44,024	\$ 44,024	\$ 44,024	\$ 176,096	\$ 396,216
7a. Annual Enrollment & New Hire Guides (added in Amendment 1)	\$ -	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 480,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 384,000	\$ 864,000
8. Annual Enrollment Posters	\$ -	\$ 21,574	\$ 21,574	\$ 21,574	\$ 21,574	\$ 21,574	\$ 107,870	\$ 21,574	\$ 21,574	\$ 21,574	\$ 21,574	\$ 86,296	\$ 194,166
9. Flexible Spending Account (HCSA & DCSA) Packets	\$ 117,097	\$ 89,546	\$ 89,546	\$ 89,546	\$ 89,546	\$ 89,546	\$ 564,827	\$ 89,546	\$ 89,546	\$ 89,546	\$ 89,546	\$ 358,184	\$ 923,011
10. Newsletters	\$ -	\$ 74,241	\$ 74,241	\$ 74,241	\$ 74,241	\$ 74,241	\$ 371,205	\$ 74,241	\$ 74,241	\$ 74,241	\$ 74,241	\$ 296,964	\$ 668,169
11. County of Los Angeles Benefits Plan Administrator Envelopes	\$ -	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 13,530	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 10,824	\$ 24,354
12. Request for Change of Beneficiary Cigna Form (stuffing costs only - Cigna will print and mail to Contractor)	\$ -	\$ 210	\$ 210	\$ 210	\$ 210	\$ 210	\$ 1,050	\$ 210	\$ 210	\$ 210	\$ 210	\$ 840	\$ 1,890
13. Promotional/Marketing Materials*	\$ 214,344	\$ 34,654	\$ 34,654	\$ 34,654	\$ 34,654	\$ 34,654	\$ 387,614	\$ 34,654	\$ 34,654	\$ 34,654	\$ 34,654	\$ 138,616	\$ 526,230
14. Quarterly Wellness Newsletters	\$ -	\$ 123,691	\$ 123,691	\$ 123,691	\$ 123,691	\$ 123,691	\$ 618,455	\$ 123,691	\$ 123,691	\$ 123,691	\$ 123,691	\$ 494,764	\$ 1,113,219
15. Non-Cafeteria Plan Part-time and Temporary Employee	\$ 13,756	\$ 13,810	\$ 13,810	\$ 13,810	\$ 13,810	\$ 13,810	\$ 82,806	\$ 13,810	\$ 13,810	\$ 13,810	\$ 13,810	\$ 55,240	\$ 138,046
16. Other*	\$ 351,651	\$ 147,486	\$ 147,486	\$ 147,486	\$ 147,486	\$ 147,486	\$ 1,089,081	\$ 147,486	\$ 147,486	\$ 147,486	\$ 147,486	\$ 589,944	\$ 1,679,025
17. Annual Online Communications Survey (added in Amendment 1)	\$ -	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 160,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 128,000	\$ 288,000
<b>Total Benefits Communications Consulting Fees:</b>	\$ 1,059,391	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 6,172,936	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 1,022,709	\$ 4,090,836	\$ 10,263,772

EXHIBIT B - PRICING SCHEDULE  
B-3 - Detailed Annual Fees

SECTION III: AFFORDABLE CARE ACT EMPLOYER MANDATE TRACKING AND REPORTING FEES (amortized over five years)

Service Description	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Extended Terms Amount	CONTRACT COST
	Phase 1: System Implementation	Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031		
Total Affordable Care Act Employer Mandate Reporting Fees:	\$ -	\$ 289,108	\$ 289,108	\$ 289,108	\$ 289,108	\$ 289,108	\$ 1,445,540	\$ 289,108	\$ 289,108	\$ 289,108	\$ 289,108	\$ 1,156,432	\$ 2,601,972

SECTION IV: NON-DISCRIMINATION TESTING CONSULTING FEES

Service Description	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Extended Terms Amount	CONTRACT COST
	Plan Year 2022	Plan Year 2023	Plan Year 2024	Plan Year 2025	Plan Year 2026	Plan Year 2027		Plan Year 2028	Plan Year 2029	Plan Year 2030	Plan Year 2031		
Total Non-Discrimination Testing Consulting Fees:	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 211,050	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 140,700	\$ 351,750

SECTION V: ACTUARIAL VALUATION CONSULTING FEES

Service Description	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Extended Terms Amount	CONTRACT COST
	Full Actuarial Valuation Study for 2022 Plan Year (FY 2021/22)	Roll-Forward Actuarial Valuation Study for 2023 Plan Year (FY 2022/23)	Full Actuarial Valuation Study for 2024 Plan Year (FY 2023/24)	Roll-Forward Actuarial Valuation Study for 2025 Plan Year (FY 2024/25)	Full Actuarial Valuation Study for 2026 Plan Year (FY 2025/26)	Roll-Forward Actuarial Valuation Study for 2027 Plan Year (FY 2026/27)		Full Actuarial Valuation Study for 2028 Plan Year (FY 2027/28)	Roll-Forward Actuarial Valuation Study for 2029 Plan Year (FY 2028/29)	Full Actuarial Valuation Study for 2030 Plan Year (FY 2029/30)	Roll-Forward Actuarial Valuation Study for 2031 Plan Year (FY 2030/31)		
Total Actuarial Valuation Consulting Fees:	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 494,550	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 329,700	\$ 824,250

PART II SERVICES - OPTIONAL WORK

OPTIONAL WORK	Initial Term						Initial Term Total Maximum Obligation	Optional Extended Term 1		Optional Extended Term 2		Extended Terms Total Maximum Obligation	COUNTY'S TOTAL MAXIMUM OBLIGATION
	Phase 1: System Implementation	Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031		
Total Optional Work Fees:	\$ 500,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 2,360,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 1,488,000	\$ 3,848,000

Total Fees Payable for Benefit Plan Administration and Consulting, Part I & II Services

\$ 1,712,166	\$ 7,867,399	\$ 8,538,702	\$ 8,468,352	\$ 8,538,702	\$ 8,468,352	\$ 43,593,671	\$ 8,257,254	\$ 8,186,904	\$ 8,257,254	\$ 8,186,904	\$ 32,888,315	\$ 76,481,986
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INITIAL TERM TOTAL FOR PART I & PART II SERVICES: \$ 43,593,671

EXTENDED TERM TOTAL FOR PART I & PART II SERVICES: \$ 32,888,315

TOTAL CONTRACT SUM: \$ 76,481,986

**PART I SERVICES**

**SECTION I: BENEFIT PLAN ADMINISTRATION FEES (amortized over five years)**

Service Description	Estimated Volume (based on 2019)	Initial Term						Estimated Annual Total	Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Estimated Annual Total	Extended Terms Amount	CONTRACT COST
		Phase 1: System Implementation	Phase 2: Post Implementation							January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031			
		January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027									
<b>1. Monthly Administration Fees</b>																
Flex/Megaflex	15,000	-	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 383,400	\$ 1,917,000	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 345,600	\$ 1,382,400	\$ 3,299,400
Choices	30,690	-	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 828,630	\$ 4,143,150	\$ 2.03	\$ 2.03	\$ 2.03	\$ 2.03	\$ 745,767	\$ 2,983,068	\$ 7,126,218
Options	56,720	-	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 1,531,440	\$ 7,657,200	\$ 2.03	\$ 2.03	\$ 2.03	\$ 2.03	\$ 1,378,296	\$ 5,513,184	\$ 13,170,384
Temps/Part-time	2,830	-	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 76,410	\$ 382,050	\$ 2.03	\$ 2.03	\$ 2.03	\$ 2.03	\$ 68,769	\$ 275,076	\$ 657,126
Employee Direct Pay Billing	1,580	-	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 109,020	\$ 545,100	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 109,020	\$ 436,080	\$ 981,180
Cobra Notifications (Ineligible Letter, Notification & Rights)	1,860	-	\$ 7.55	\$ 7.55	\$ 7.55	\$ 7.55	\$ 7.55	\$ 168,516	\$ 842,580	\$ 7.55	\$ 7.55	\$ 7.55	\$ 7.55	\$ 168,516	\$ 674,064	\$ 1,516,644
Mail Spending Account Packet (New Hires & Newly Eligible Employees)	2,414	-	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 25,361	\$ 131,804	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 25,361	\$ 105,444	\$ 237,248
Additional Letters and Notices	2,240	-	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 24,461	\$ 122,304	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 24,461	\$ 97,843	\$ 220,147
<b>Subtotal:</b>								\$ 3,148,238	\$ 15,741,188					\$ 2,866,790	\$ 11,467,159	\$ 27,208,347
<b>2. Annual Enrollment Administration Fees</b> <i>(See Section 5 for annual enrollment fees that are applicable to Integrated Electronic Communication and Education)</i>																
Flex/Megaflex	14,860	-	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 12,482	\$ 62,412	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 12,482	\$ 49,930	\$ 112,342
Choices	30,600	-	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 25,704	\$ 128,520	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 25,704	\$ 102,816	\$ 231,336
Options	56,590	-	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 33,954	\$ 169,770	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 33,954	\$ 135,816	\$ 305,586
Temps/Part-time	1,590	-	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 1,336	\$ 6,678	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 1,336	\$ 5,342	\$ 12,020
Personalized Enrollment Worksheets	102,060	-	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 122,472	\$ 612,360	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 122,472	\$ 489,888	\$ 1,102,248
Confirmation Statement	102,000	-	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 61,200	\$ 306,000	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 61,200	\$ 244,800	\$ 550,800
Mail Flexible Spending Account Packet	44,400	-	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 42,624	\$ 213,120	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 42,624	\$ 170,496	\$ 383,616
<b>Subtotal:</b>								\$ 299,772	\$ 1,498,860					\$ 299,772	\$ 1,199,088	\$ 2,697,948
<b>3. Monthly Flexible Spending Account (HCSA &amp; DCSA) Administration Fees</b>																
Flex/Megaflex, Choices & Options (\$3.75 per participant per month)	Varies	-	\$ 2,549,047	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 15,149,047	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 12,600,000	\$ 27,749,047
Checks Issued/Mailed	Varies	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACH Transactions (Direct Deposit Transactions)	Varies	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
VISA Card Transactions	Varies	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal:</b>								\$ 3,150,000	\$ 15,149,047					\$ 3,150,000	\$ 12,600,000	\$ 27,749,047
<b>4. Monthly Commuter Benefit Plan Administration Fees</b>																
Subtotal:	1,700	-	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 81,600	\$ 408,000	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 81,600	\$ 326,400	\$ 734,400
<b>5. Annual Integrated Electronic Communication and Education System Content &amp; Maintenance Fees</b>																
Annual Enrollment Web Update and Web Screen Development (Includes Ongoing Web Update and Web Screen Development)	One unit	-	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 112,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 90,000	\$ 202,500
<b>Subtotal:</b>								\$ 22,500	\$ 112,500					\$ 22,500	\$ 90,000	\$ 202,500
<b>TOTAL BENEFIT PLAN ADMINISTRATION FEES:</b>								\$ 6,702,110	\$ 32,909,595					\$ 6,420,662	\$ 25,682,647	\$ 58,592,242

EXHIBIT B - PRICING SCHEDULE<sup>1</sup>  
B-4 - Per Participant and Per Transaction Rates

SECTION II: BENEFITS COMMUNICATIONS CONSULTING FEES

Service Description <i>*Includes optional materials as needed and as approved by County</i>	Initial Term						Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Annual Total	Extended Terms Amount	CONTRACT COST
	Phase 1: System Implementation	Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031			
	January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027								
<b>1. Choices New Hire/Newly Eligible Enrollment Packets*</b>														
Consulting Costs	\$ 117,213	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 243,798	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 101,268	\$ 345,066
Production Supervision Costs	\$ 1,883	\$ 1,883	\$ 1,883	\$ 1,883	\$ 1,883	\$ 1,883	\$ 11,298	\$ 1,883	\$ 1,883	\$ 1,883	\$ 1,883	\$ 1,883	\$ 7,532	\$ 18,830
Production Costs	\$ 14,645	\$ 14,645	\$ 14,645	\$ 14,645	\$ 14,645	\$ 14,645	\$ 87,870	\$ 14,645	\$ 14,645	\$ 14,645	\$ 14,645	\$ 14,645	\$ 58,580	\$ 146,450
Distribution Costs	\$ 4,177	\$ 4,177	\$ 4,177	\$ 4,177	\$ 4,177	\$ 4,177	\$ 25,062	\$ 4,177	\$ 4,177	\$ 4,177	\$ 4,177	\$ 4,177	\$ 16,708	\$ 41,770
<b>Subtotal:</b>							\$ 368,028						\$ 184,088	\$ 552,116
<b>2. Options New Hire/Newly Eligible Enrollment Packets*</b>														
Consulting Costs	\$ 100,854	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 227,439	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 25,317	\$ 101,268	\$ 328,707
Production Supervision Costs	\$ 2,850	\$ 2,850	\$ 2,850	\$ 2,850	\$ 2,850	\$ 2,850	\$ 17,100	\$ 2,850	\$ 2,850	\$ 2,850	\$ 2,850	\$ 2,850	\$ 11,400	\$ 28,500
Production Costs	\$ 20,469	\$ 20,469	\$ 20,469	\$ 20,469	\$ 20,469	\$ 20,469	\$ 122,814	\$ 20,469	\$ 20,469	\$ 20,469	\$ 20,469	\$ 20,469	\$ 81,876	\$ 204,690
Distribution Costs	\$ 8,024	\$ 8,024	\$ 8,024	\$ 8,024	\$ 8,024	\$ 8,024	\$ 48,144	\$ 8,024	\$ 8,024	\$ 8,024	\$ 8,024	\$ 8,024	\$ 32,096	\$ 80,240
<b>Subtotal:</b>							\$ 415,497						\$ 226,640	\$ 642,137
<b>3. MegaFlex New Hire/Newly Eligible Enrollment Packets*</b>														
Consulting Costs	\$ 84,143	\$ 21,491	\$ 21,491	\$ 21,491	\$ 21,491	\$ 21,491	\$ 191,598	\$ 21,491	\$ 21,491	\$ 21,491	\$ 21,491	\$ 21,491	\$ 85,964	\$ 277,562
Production Supervision Costs	\$ 753	\$ 753	\$ 753	\$ 753	\$ 753	\$ 753	\$ 4,518	\$ 753	\$ 753	\$ 753	\$ 753	\$ 753	\$ 3,012	\$ 7,530
Production Costs	\$ 5,603	\$ 5,603	\$ 5,603	\$ 5,603	\$ 5,603	\$ 5,603	\$ 33,618	\$ 5,603	\$ 5,603	\$ 5,603	\$ 5,603	\$ 5,603	\$ 22,412	\$ 56,030
Distribution Costs	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 11,574	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 7,716	\$ 19,290
<b>Subtotal:</b>							\$ 241,308						\$ 119,104	\$ 360,412
<b>4. Choices Annual Enrollment Packets*</b>														
Consulting Costs	\$ -	\$ 40,006	\$ 40,006	\$ 40,006	\$ 40,006	\$ 40,006	\$ 200,030	\$ 40,006	\$ 40,006	\$ 40,006	\$ 40,006	\$ 40,006	\$ 160,024	\$ 360,054
Production Supervision Costs	\$ -	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 11,330	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 2,266	\$ 9,064	\$ 20,394
Production Costs	\$ -	\$ 15,594	\$ 15,594	\$ 15,594	\$ 15,594	\$ 15,594	\$ 77,970	\$ 15,594	\$ 15,594	\$ 15,594	\$ 15,594	\$ 15,594	\$ 62,376	\$ 140,346
Distribution Costs	\$ -	\$ 12,302	\$ 12,302	\$ 12,302	\$ 12,302	\$ 12,302	\$ 61,510	\$ 12,302	\$ 12,302	\$ 12,302	\$ 12,302	\$ 12,302	\$ 49,208	\$ 110,718
<b>Subtotal:</b>							\$ 350,840						\$ 280,672	\$ 631,512
<b>5. Options Annual Enrollment Packets*</b>														
Consulting Costs	\$ -	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 191,655	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 153,324	\$ 344,979
Production Supervision Costs	\$ -	\$ 3,808	\$ 3,808	\$ 3,808	\$ 3,808	\$ 3,808	\$ 19,040	\$ 3,808	\$ 3,808	\$ 3,808	\$ 3,808	\$ 3,808	\$ 15,232	\$ 34,272
Production Costs	\$ -	\$ 25,270	\$ 25,270	\$ 25,270	\$ 25,270	\$ 25,270	\$ 126,350	\$ 25,270	\$ 25,270	\$ 25,270	\$ 25,270	\$ 25,270	\$ 101,080	\$ 227,430
Distribution Costs	\$ -	\$ 18,260	\$ 18,260	\$ 18,260	\$ 18,260	\$ 18,260	\$ 91,300	\$ 18,260	\$ 18,260	\$ 18,260	\$ 18,260	\$ 18,260	\$ 73,040	\$ 164,340
<b>Subtotal:</b>							\$ 428,345						\$ 342,676	\$ 771,021
<b>6. MegaFlex Annual Enrollment Packets*</b>														
Consulting Costs	\$ -	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 191,655	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 38,331	\$ 153,324	\$ 344,979
Production Supervision Costs	\$ -	\$ 1,217	\$ 1,217	\$ 1,217	\$ 1,217	\$ 1,217	\$ 6,085	\$ 1,217	\$ 1,217	\$ 1,217	\$ 1,217	\$ 1,217	\$ 4,868	\$ 10,953
Production Costs	\$ -	\$ 8,317	\$ 8,317	\$ 8,317	\$ 8,317	\$ 8,317	\$ 41,585	\$ 8,317	\$ 8,317	\$ 8,317	\$ 8,317	\$ 8,317	\$ 33,268	\$ 74,853
Distribution Costs	\$ -	\$ 6,607	\$ 6,607	\$ 6,607	\$ 6,607	\$ 6,607	\$ 33,035	\$ 6,607	\$ 6,607	\$ 6,607	\$ 6,607	\$ 6,607	\$ 26,428	\$ 59,463
<b>Subtotal:</b>							\$ 272,360						\$ 217,888	\$ 490,248
<b>7. Flex Annual Enrollment Packets*</b>														
Consulting Costs	\$ -	\$ 39,155	\$ 39,155	\$ 39,155	\$ 39,155	\$ 39,155	\$ 195,775	\$ 39,155	\$ 39,155	\$ 39,155	\$ 39,155	\$ 39,155	\$ 156,620	\$ 352,395
Production Supervision Costs	\$ -	\$ 295	\$ 295	\$ 295	\$ 295	\$ 295	\$ 1,475	\$ 295	\$ 295	\$ 295	\$ 295	\$ 295	\$ 1,180	\$ 2,655
Production Costs	\$ -	\$ 2,057	\$ 2,057	\$ 2,057	\$ 2,057	\$ 2,057	\$ 10,285	\$ 2,057	\$ 2,057	\$ 2,057	\$ 2,057	\$ 2,057	\$ 8,228	\$ 18,513
Distribution Costs	\$ -	\$ 2,517	\$ 2,517	\$ 2,517	\$ 2,517	\$ 2,517	\$ 12,585	\$ 2,517	\$ 2,517	\$ 2,517	\$ 2,517	\$ 2,517	\$ 10,068	\$ 22,653
<b>Subtotal:</b>							\$ 220,120						\$ 176,096	\$ 396,216
<b>7a. Annual Enrollment &amp; New Hire Guides (Added per Amendment #1)</b>														
Costs	\$ -	\$ 96,000.00	\$ 96,000.00	\$ 96,000.00	\$ 96,000.00	\$ 96,000.00	\$ 480,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 384,000	\$ 864,000
<b>Subtotal:</b>							\$ 480,000						\$ 384,000	\$ 864,000
<b>8. Annual Enrollment Posters</b>														
Consulting Costs	\$ -	\$ 12,129	\$ 12,129	\$ 12,129	\$ 12,129	\$ 12,129	\$ 60,645	\$ 12,129	\$ 12,129	\$ 12,129	\$ 12,129	\$ 12,129	\$ 48,516	\$ 109,161
Production Supervision Costs	\$ -	\$ 760	\$ 760	\$ 760	\$ 760	\$ 760	\$ 3,800	\$ 760	\$ 760	\$ 760	\$ 760	\$ 760	\$ 3,040	\$ 6,840
Production Costs	\$ -	\$ 4,304	\$ 4,304	\$ 4,304	\$ 4,304	\$ 4,304	\$ 21,520	\$ 4,304	\$ 4,304	\$ 4,304	\$ 4,304	\$ 4,304	\$ 17,216	\$ 38,736
Distribution Costs	\$ -	\$ 4,381	\$ 4,381	\$ 4,381	\$ 4,381	\$ 4,381	\$ 21,905	\$ 4,381	\$ 4,381	\$ 4,381	\$ 4,381	\$ 4,381	\$ 17,524	\$ 39,429
<b>Subtotal:</b>							\$ 107,870						\$ 86,296	\$ 194,166
<b>9. Flexible Spending Account (HCSA &amp; DCSA) Packets</b>														
Consulting Costs	\$ 52,225	\$ 24,674	\$ 24,674	\$ 24,674	\$ 24,674	\$ 24,674	\$ 175,595	\$ 24,674	\$ 24,674	\$ 24,674	\$ 24,674	\$ 24,674	\$ 98,696	\$ 274,291
Production Supervision Costs	\$ 4,027	\$ 4,027	\$ 4,027	\$ 4,027	\$ 4,027	\$ 4,027	\$ 24,162	\$ 4,027	\$ 4,027	\$ 4,027	\$ 4,027	\$ 4,027	\$ 16,108	\$ 40,270
Production Costs	\$ 29,991	\$ 29,991	\$ 29,991	\$ 29,991	\$ 29,991	\$ 29,991	\$ 179,946	\$ 29,991	\$ 29,991	\$ 29,991	\$ 29,991	\$ 29,991	\$ 119,964	\$ 299,910
Distribution Costs	\$ 30,854	\$ 30,854	\$ 30,854	\$ 30,854	\$ 30,854	\$ 30,854	\$ 185,124	\$ 30,854	\$ 30,854	\$ 30,854	\$ 30,854	\$ 30,854	\$ 123,416	\$ 308,540
<b>Subtotal:</b>							\$ 564,827						\$ 358,184	\$ 923,011
<b>10. Newsletters</b>														
Consulting Costs	\$ -	\$ 28,861	\$ 28,861	\$ 28,861	\$ 28,861	\$ 28,861	\$ 144,305	\$ 28,861	\$ 28,861	\$ 28,861	\$ 28,861	\$ 28,861	\$ 115,444	\$ 259,749
Production Supervision Costs	\$ -	\$ 3,493	\$ 3,493	\$ 3,493	\$ 3,493	\$ 3,493	\$ 17,465	\$ 3,493	\$ 3,493	\$ 3,493	\$ 3,493	\$ 3,493	\$ 13,972	\$ 31,437
Production Costs	\$ -	\$ 24,354	\$ 24,354	\$ 24,354	\$ 24,354	\$ 24,354	\$ 121,770	\$ 24,354	\$ 24,354	\$ 24,354	\$ 24,354	\$ 24,354	\$ 97,416	\$ 219,186
Distribution Costs	\$ -	\$ 17,533	\$ 17,533	\$ 17,533	\$ 17,533	\$ 17,533	\$ 87,665	\$ 17,533	\$ 17,533	\$ 17,533	\$ 17,533	\$ 17,533	\$ 70,132	\$ 157,797
<b>Subtotal:</b>							\$ 371,205						\$ 296,964	\$ 668,169

SECTION II: BENEFITS COMMUNICATIONS CONSULTING FEES (Continued)

Service Description <i>*Includes optional materials as needed and as approved by County</i>	Initial Term						Optional Extended Term 1		Optional Extended Term 2		Annual Total	Extended Terms Amount	CONTRACT COST	
	Phase 1: System Implementation	Phase 2: Post Implementation					Initial Term Amount	Phase 1		Phase 2				
	January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027		January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030				January 1, 2031 - December 31, 2031
<b>11. County of Los Angeles Benefits Plan Administrator Envelopes</b>														
Consulting Costs	\$ -	\$ 1,042	\$ 1,042	\$ 1,042	\$ 1,042	\$ 1,042	\$ 5,210	\$ 1,042	\$ 1,042	\$ 1,042	\$ 1,042	\$ 4,168	\$ 9,378	
Production Supervision Costs	\$ -	\$ 151	\$ 151	\$ 151	\$ 151	\$ 151	\$ 755	\$ 151	\$ 151	\$ 151	\$ 151	\$ 604	\$ 1,359	
Production Costs	\$ -	\$ 1,513	\$ 1,513	\$ 1,513	\$ 1,513	\$ 1,513	\$ 7,565	\$ 1,513	\$ 1,513	\$ 1,513	\$ 1,513	\$ 6,052	\$ 13,617	
Distribution Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Subtotal:</b>							\$ 13,530					\$ 10,824	\$ 24,354	
<b>12. Request for Change of Beneficiary Cigna Form (stuffing costs only - Cigna will print and mail to Contractor)</b>														
Distribution Costs	\$ -	\$ 210	\$ 210	\$ 210	\$ 210	\$ 210	\$ 1,050	\$ 210	\$ 210	\$ 210	\$ 210	\$ 840	\$ 1,890	
<b>Subtotal:</b>							\$ 1,050					\$ 840	\$ 1,890	
<b>13. Promotional/Marketing Materials*</b>														
Consulting Costs	\$ 165,180	\$ 20,362	\$ 20,362	\$ 20,362	\$ 20,362	\$ 20,362	\$ 266,990	\$ 20,362	\$ 20,362	\$ 20,362	\$ 20,362	\$ 81,448	\$ 348,438	
Production Supervision Costs	\$ 4,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,334	
Production Costs	\$ 32,256	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 84,756	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 42,000	\$ 126,756	
Distribution Costs	\$ 12,574	\$ 3,792	\$ 3,792	\$ 3,792	\$ 3,792	\$ 3,792	\$ 31,534	\$ 3,792	\$ 3,792	\$ 3,792	\$ 3,792	\$ 15,168	\$ 46,702	
<b>Subtotal:</b>							\$ 387,614					\$ 138,616	\$ 526,230	
<b>14. Quarterly Wellness Newsletters</b>														
Consulting Costs	\$ -	\$ 51,591	\$ 51,591	\$ 51,591	\$ 51,591	\$ 51,591	\$ 257,955	\$ 51,591	\$ 51,591	\$ 51,591	\$ 51,591	\$ 206,364	\$ 464,319	
Production Supervision Costs	\$ -	\$ 6,358	\$ 6,358	\$ 6,358	\$ 6,358	\$ 6,358	\$ 31,790	\$ 6,358	\$ 6,358	\$ 6,358	\$ 6,358	\$ 25,432	\$ 57,222	
Production Costs	\$ -	\$ 32,416	\$ 32,416	\$ 32,416	\$ 32,416	\$ 32,416	\$ 162,080	\$ 32,416	\$ 32,416	\$ 32,416	\$ 32,416	\$ 129,664	\$ 291,744	
Distribution Costs	\$ -	\$ 33,326	\$ 33,326	\$ 33,326	\$ 33,326	\$ 33,326	\$ 166,630	\$ 33,326	\$ 33,326	\$ 33,326	\$ 33,326	\$ 133,304	\$ 299,934	
<b>Subtotal:</b>							\$ 618,455					\$ 494,764	\$ 1,113,219	
<b>15. Non-Cafeteria Plan Part-time and Temporary Employee Subsidized Medical Plans (for Choices, Options and Megaflex, both Annual Enrollment and New Hire/Newly Eligible Enrollments)</b>														
Consulting Costs	\$ 12,273	\$ 4,872	\$ 4,872	\$ 4,872	\$ 4,872	\$ 4,872	\$ 36,633	\$ 4,872	\$ 4,872	\$ 4,872	\$ 4,872	\$ 19,488	\$ 56,121	
Production Supervision Costs	\$ 134	\$ 831	\$ 831	\$ 831	\$ 831	\$ 831	\$ 4,289	\$ 831	\$ 831	\$ 831	\$ 831	\$ 3,324	\$ 7,613	
Production Costs	\$ 1,086	\$ 6,311	\$ 6,311	\$ 6,311	\$ 6,311	\$ 6,311	\$ 32,641	\$ 6,311	\$ 6,311	\$ 6,311	\$ 6,311	\$ 25,244	\$ 57,885	
Distribution Costs	\$ 263	\$ 1,796	\$ 1,796	\$ 1,796	\$ 1,796	\$ 1,796	\$ 9,243	\$ 1,796	\$ 1,796	\$ 1,796	\$ 1,796	\$ 7,184	\$ 16,427	
<b>Subtotal:</b>							\$ 82,806					\$ 55,240	\$ 138,046	
<b>16. Other*</b>														
Consulting Costs	\$ 154,752	\$ 72,012	\$ 72,012	\$ 72,012	\$ 72,012	\$ 72,012	\$ 514,812	\$ 72,012	\$ 72,012	\$ 72,012	\$ 72,012	\$ 288,048	\$ 802,860	
Production Supervision Costs	\$ 16,029	\$ 6,815	\$ 6,815	\$ 6,815	\$ 6,815	\$ 6,815	\$ 50,104	\$ 6,815	\$ 6,815	\$ 6,815	\$ 6,815	\$ 27,260	\$ 77,364	
Production Costs	\$ 142,162	\$ 50,588	\$ 50,588	\$ 50,588	\$ 50,588	\$ 50,588	\$ 395,102	\$ 50,588	\$ 50,588	\$ 50,588	\$ 50,588	\$ 202,352	\$ 597,454	
Distribution Costs	\$ 38,708	\$ 18,071	\$ 18,071	\$ 18,071	\$ 18,071	\$ 18,071	\$ 129,063	\$ 18,071	\$ 18,071	\$ 18,071	\$ 18,071	\$ 72,284	\$ 201,347	
<b>Subtotal:</b>							\$ 1,089,081					\$ 589,944	\$ 1,679,025	
<b>17. Annual Online Communications Survey (Added per Amendment #1)</b>														
Costs	\$ -	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 160,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 128,000	\$ 288,000	
<b>Subtotal:</b>							\$ 160,000					\$ 128,000	\$ 288,000	
<b>TOTAL BENEFITS COMMUNICATIONS CONSULTING FEES:</b>							\$ 6,172,936					\$ 4,090,836	\$ 10,263,772	

EXHIBIT B - PRICING SCHEDULE<sup>1</sup>  
B-4 - Per Participant and Per Transaction Rates

SECTION III: AFFORDABLE CARE ACT EMPLOYER MANDATE TRACKING AND REPORTING FEES (amortized over five years)

Service Description	Assumed Volume (based on 2019)	Initial Term						Annual Total	Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Annual Total	Extended Terms Amount	CONTRACT COST
		Phase 1: System Implementation		Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031			
		January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027									
FTE, Self-Insured COBRA and Survivors Determination and Data Files	108,000	-	\$ 86,732	\$ 86,732	\$ 86,732	\$ 86,732	\$ 86,732	\$ 433,660	\$ 86,732	\$ 86,732	\$ 86,732	\$ 86,732	\$ 86,732	\$ 346,928	\$ 780,588	
Data Transmittal	108,000	-	\$ 23,129	\$ 23,129	\$ 23,129	\$ 23,129	\$ 23,129	\$ 115,645	\$ 23,129	\$ 23,129	\$ 23,129	\$ 23,129	\$ 23,129	\$ 92,516	\$ 208,161	
IRS Forms Production	108,000	-	\$ 144,554	\$ 144,554	\$ 144,554	\$ 144,554	\$ 144,554	\$ 722,770	\$ 144,554	\$ 144,554	\$ 144,554	\$ 144,554	\$ 144,554	\$ 578,216	\$ 1,300,986	
Forms Transmission to IRS	108,000	-	\$ 34,693	\$ 34,693	\$ 34,693	\$ 34,693	\$ 34,693	\$ 173,465	\$ 34,693	\$ 34,693	\$ 34,693	\$ 34,693	\$ 34,693	\$ 138,772	\$ 312,237	
ACA Notifications	108,000	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL AFFORDABLE CARE ACT EMPLOYER MANDATE REPORTING FEES:</b>								<b>\$ 289,108</b>	<b>\$ 1,445,540</b>					<b>\$ 289,108</b>	<b>\$ 1,156,432</b>	<b>\$ 2,601,972</b>

SECTION IV: NON-DISCRIMINATION TESTING CONSULTING FEES

Service Description	Initial Term						Annual Total	Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Annual Total	Extended Terms Amount	CONTRACT COST
	Plan Year 2022	Plan Year 2023	Plan Year 2024	Plan Year 2025	Plan Year 2026	Plan Year 2027			Plan Year 2028	Plan Year 2029	Plan Year 2030	Plan Year 2031			
	January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027			January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031			
Non-Discrimination Testing Consulting		\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 211,050	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 35,175	\$ 140,700	\$ 351,750
<b>TOTAL NON-DISCRIMINATION TESTING CONSULTING FEES:</b>		<b>\$ 35,175</b>	<b>\$ 35,175</b>	<b>\$ 35,175</b>	<b>\$ 35,175</b>	<b>\$ 35,175</b>	<b>\$ 35,175</b>	<b>\$ 211,050</b>					<b>\$ 140,700</b>	<b>\$ 351,750</b>	

SECTION V: ACTUARIAL VALUATION CONSULTING FEES

Service Description	Initial Term						Annual Total	Initial Term Amount	Optional Extended Term 1		Optional Extended Term 2		Annual Total	Extended Terms Amount	CONTRACT COST
	Full Actuarial Valuation Study for 2022 Plan Year (FY 2021/22)	Roll-Forward Actuarial Valuation Study for 2023 Plan Year (FY 2022/23)	Full Actuarial Valuation Study for 2024 Plan Year (FY 2023/24)	Roll-Forward Actuarial Valuation Study for 2025 Plan Year (FY 2024/25)	Full Actuarial Valuation Study for 2026 Plan Year (FY 2025/26)	Roll-Forward Actuarial Valuation Study for 2027 Plan Year (FY 2026/27)			Full Actuarial Valuation Study for 2028 Plan Year (FY 2027/28)	Roll-Forward Actuarial Valuation Study for 2029 Plan Year (FY 2028/29)	Full Actuarial Valuation Study for 2030 Plan Year (FY 2029/30)	Roll-Forward Actuarial Valuation Study for 2031 Plan Year (FY 2030/31)			
	January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027			January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031			
Actuarial Valuation Consulting		\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 494,550	\$ 117,600	\$ 47,250	\$ 117,600	\$ 47,250	\$ 329,700	\$ 824,250	
<b>TOTAL ACTUARIAL VALUATION CONSULTING FEES:</b>		<b>\$ 117,600</b>	<b>\$ 47,250</b>	<b>\$ 117,600</b>	<b>\$ 47,250</b>	<b>\$ 117,600</b>	<b>\$ 47,250</b>	<b>\$ 494,550</b>					<b>\$ 329,700</b>	<b>\$ 824,250</b>	

PART II SERVICES - OPTIONAL WORK

Service Description	Assumed Volume	Initial Term						Annual Total (Years 2023-2027)	Initial Term County's Total Maximum Obligation	Optional Extended Term 1		Optional Extended Term 2		Annual Total	Extended Terms Total Maximum Obligation	COUNTY'S TOTAL MAXIMUM OBLIGATION
		Phase 1: System Implementation		Phase 2: Post Implementation						January 1, 2028 - December 31, 2028	January 1, 2029 - December 31, 2029	January 1, 2030 - December 31, 2030	January 1, 2031 - December 31, 2031			
		January 1, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 - December 31, 2027									
Optional Work (Amount changed to \$372,000 beginning in 2023 Per Amendment #1)	As Requested by County	\$ 500,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 2,360,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 372,000	\$ 1,488,000	\$ 3,848,000	
<b>COUNTY'S TOTAL FIXED MAXIMUM OBLIGATION FOR OPTIONAL WORK:</b>		<b>\$ 500,000</b>	<b>\$ 372,000</b>	<b>\$ 372,000</b>	<b>\$ 372,000</b>	<b>\$ 372,000</b>	<b>\$ 372,000</b>	<b>\$ 372,000</b>	<b>\$ 2,360,000</b>					<b>\$ 1,488,000</b>	<b>\$ 3,848,000</b>	

INITIAL TERM TOTAL FOR PART I & PART II SERVICES:	\$ 43,593,671	EXTENDED TERM TOTAL FOR PART I & PART II SERVICES:	\$ 32,888,315	TOTAL CONTRACT SUM <sup>2</sup> :	\$ 76,481,986
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Footnotes:

<sup>1</sup> Contractor shall perform all services described in the Contract at the rates and fees set forth in this Exhibit B (Pricing Schedule). Unless stated otherwise in the Contract, Contractor's rates and fees shall include any and all administrative, consulting, equipment, technology hardware and software, labor, management, materials, overtime, production, supervision, supplies, taxes, transportation, travel and living expenses costs for providing all services under the Contract and shall not increase beyond those set forth in this Pricing Schedule.



**EXHIBIT B - PRICING SCHEDULE**  
**Fixed Hourly Rates for Part II Services (Optional Work)**

The tables below provide Fixed Hourly Rates (fixed over the course of the Contract Term) for Contractor staff providing Part II Services - Optional Work, as defined in this Exhibit B and Paragraph 17.0 (Optional Work) of the SOW.

<b>MAXIMUM HOURLY RATES FOR OPTIONAL WORK - BENEFIT PLAN ADMINISTRATION SERVICES &amp; SYSTEM</b> for the period from January 1, 2022 through December 31, 2031	
<b>STAFF TITLE</b>	<b>FIXED HOURLY RATE</b>
Principal	\$ 550
Associate	\$ 200
Consulting Professional	\$ 400
Technical Professional	\$ 300
Processing Assistant, Customer Service	\$ 90

<b>MAXIMUM HOURLY RATES FOR OPTIONAL WORK - BENEFITS COMMUNICATION CONSULTING</b> for the period from January 1, 2022 through December 31, 2031	
<b>STAFF TITLE</b>	<b>FIXED HOURLY RATE</b>
Principal	\$ 840
Associate	\$ 353
Consulting Professional	\$ 662
Technical Professional	\$ 475
Graphic Designer	\$ 466
Writer/Editor	\$ 525
Proofreader	\$ 403
Admin	\$ 130

<b>MAXIMUM HOURLY RATES FOR OPTIONAL WORK - NON-DISCRIMINATION TESTING CONSULTING</b> for the period from January 1, 2022 through December 31, 2031	
<b>STAFF TITLE</b>	<b>FIXED HOURLY RATE</b>
Principal	\$ 840
Associate	\$ 353
Consulting Professional	\$ 662
Sr. Consultant	\$ 622
Admin	\$ 210

<b>MAXIMUM HOURLY RATES FOR OPTIONAL WORK - ACTUARIAL VALUATION CONSULTING</b> for the period from January 1, 2022 through December 31, 2031	
<b>STAFF TITLE</b>	<b>FIXED HOURLY RATE</b>
Principal	\$ 840
Associate	\$ 353
Consulting Professional	\$ 662
Sr. Consultant	\$ 622
Admin	\$ 210