

Willis

April 16, 2013

Paul Ziehler
City Administrative Officer and Clerk/Treasurer
City of West Allis
7525 W. Greenfield
West Allis WI 53214

Dear Mr. Ziehler,

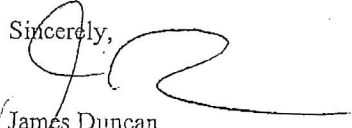
Willis of Tennessee ("WILLIS") sincerely appreciates the opportunity to present to you our proposal to perform our claims auditing services for the City of West Allis ("WEST ALLIS"). The proposal that was previously submitted (and dated April 16, 2013) outlines our understanding of your needs, our services, the engagement timeline and the professional fees for this audit engagement. This engagement letter will now serve to bind the proposal terms and allow the audit to be initiated.

After reviewing the proposal, we hope that you share our belief that we have the expertise necessary for providing exceptional consulting services to you. We anticipate that the process outlined in the proposal will provide a detailed account of the financial accuracy of the medical and pharmacy claims being processed by WEST ALLIS's TPA (Humana). Additionally, we expect this engagement will result in the identification of payment errors existing in the historical claims processed by the TPA. Finally, we expect this engagement will provide an ongoing, residual value as the underlying reasons for any payment errors identified will be addressed by the TPA and minimized in the future.

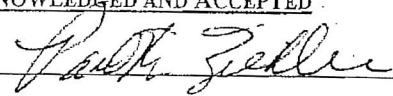
If you agree with the terms set forth in the audit proposal dated April 16, 2013, please acknowledge by signing and returning a copy of this letter. Should you have any questions regarding our proposed approach to this project, please feel free to contact me or Erin Jeffrey.

Thank you again for your interest and for providing us this auditing opportunity.

Sincerely,


James Duncan
Account Executive
Willis of Tennessee, Inc.

ACKNOWLEDGED AND ACCEPTED



Date

4/23/13

Paul Ziehler
City Administrative Officer and Clerk/Treasurer
City of West Allis

PROPOSAL TO PROVIDE
CLAIMS AUDITING SERVICES

FOR

THE CITY OF WEST ALLIS

April 16, 2013

BACKGROUND

The City of West Allis ("WEST ALLIS") is self-insured for its healthcare benefits with approximately 1,000 subscribers (employees and retirees) with claims being processed by Humana ("TPA"). Since WEST ALLIS is interested in confirming that the TPA is in compliance with industry standards for processing medical and pharmacy claims, WEST ALLIS is interested in having these claims payments audited for financial accuracy and would like any existing payment errors to be identified for claims paid during the audit period.

PROJECT SCOPE

Audit of Claims Payments

WILLIS will perform a systematic audit to determine the financial accuracy of the claims processed by WEST ALLIS's TPA. In addition, WILLIS will work with the TPA to identify overpayments that have occurred on WEST ALLIS's account. The audit period will include claims paid from 3/1/2011 through 2/28/2013 and will focus on determining if health care claims have consistently been processed and paid correctly. The following list represents the general areas that are tested during the course of this review:

- Data Quality and Integrity
- Duplicates Testing
- Eligibility and Enrollment
- Plan Document Compliance
- Payment and Pricing Analysis
- Other Items per Client Guidance

As part of this review, we will obtain an electronic file containing all claims processed on behalf of WEST ALLIS for the audit period. We will also obtain an electronic file of all enrollment information from the TPA, and also from WEST ALLIS (if available). These electronic data files will be subjected to a series of systematic edits and tests to determine financial and procedural accuracy as well as to identify exceptions to the plan document and contractual arrangements. WILLIS will then analyze the data and work through questions with the TPA on the preliminary findings seen in the data. WILLIS will then produce preliminary reports of our findings. These resulting reports will be reviewed and quantified by WILLIS and then submitted to the TPA and WEST ALLIS as a project update. Once the TPA and WEST ALLIS have reviewed and agreed upon these findings, WILLIS will generate reports that show the TPA the claims level detail necessary for recouping claims overpayments on WEST ALLIS's behalf. In addition, WILLIS will work with the TPA on answering any questions regarding these identified overpayments and help facilitate the normal process that the TPA currently use when addressing overpayments. After the conclusion of our field work, WILLIS will deliver a final

PROPOSED TIMELINE

Project Timeline

Action Step	Apr '13	May/Jun	Jul	Aug	Sep	Oct
Review Proposal/Execute Engagement Letter						
Information Request for TPA						
Receive Data and Resolve any Concerns						
Analyze Data and Run Preliminary Reports						
Onsite Audit of TPA						
Confirm Identified Overpayments & Address Questions on Financial & Procedural Accuracy						
Submit Overpayments Verified by TPA for Recovery						
Draft Report Completed & Sent to TPA for Comments						
Finalize & Submit Report to TPA & WEST ALLIS						
Monitor Recovery of Overpayments & Ensure Any Identified Issues Being Addressed						
Update Communications to WEST ALLIS (as necessary)						

WILLIS will staff this engagement with only our most experienced personnel (please see complete Biographies for each team member following this proposal before the additional attachments). Below is our proposed project team:

James Duncan, Account Executive, will serve as the Client Service Executive on this project. He will be involved throughout this process to ensure the appropriateness of each project step, that each project milestone is completed on time, and that the quality of all work meets and/or exceeds WEST ALLIS's expectations. James has over 14 years of experience working with providers, payers and large self-insured organizations.

Will Aclin, Consulting Manager, will serve as the Project Manager to ensure that each aspect of this engagement gets coordinated and executed on time, and that all milestones are met to the satisfaction of WEST ALLIS. Will has over 10 years of experience working with hospital systems, health plans, government health programs, and large self-insured organizations.

Other WILLIS professionals will be utilized, as necessary, to complete this project.

ATTACHMENT A
TEAM BIOS

WILLIAM W. ACLIN

PROJECT MANAGER, WILLIS TPA AUDITING SERVICES

General Experience:

Mr. Aclin has over 12 years of experience working with commercial and employer-based health plans, government health programs, hospital systems, and physician organizations. He concentrates his consulting efforts in the area of corporate health plan management and operations. His areas of expertise include financial reimbursement recovery and optimization strategies, healthcare cost containment strategy, financial modeling, healthcare regulatory issues, process improvement/redesign and automation initiatives, database development and implementation, and litigation support. Previous to his work in healthcare consulting, Mr. Aclin held management positions with a regional health plan organization and a regional health system.



Audit Experience:

Auditing transactional data for the following payers:

- Aetna, BlueCross BlueShield, United HealthCare, CIGNA, PHP/Cariten (Tennessee), PrimeHealth (Alabama), Tennessee Health Partnership, Vanderbilt Health Plans, Health First Health Plans (Florida), John Deere Health Plans, American Medical Security, Mutual of Omaha, etc.

Auditing claims data for the following self-insured employers:

- Allstate Insurance, Anderson News, Cracker Barrel Old Country Stores, Hanson Building Materials of America, LG.Philips Displays, Shoney's/Captain D's , T-Mobile, USA Truck, etc.

Education:

Mr. Aclin holds a Master of Business Administration with Concentrations in Finance and Health Care Management from the University of Tennessee and a Bachelor of Science in Public Administration from the University of Arkansas. Mr. Aclin continues to stay on the forefront of health care issues facing large corporations through his yearly continuing education schedule.

Personal/Community:

Mr. Aclin is active in and continues to support many professional and civic organizations, including:

- Nashville Health Care Council
- Healthcare Financial Management Association (HFMA)
- American College of Healthcare Executives (ACHE)
- Middle Tennessee Healthcare Executives
- Leadership Health Care (formerly *Young Healthcare Leaders*)
- Actively supports the following:
 - Big Brothers, Big Sisters of Middle Tennessee
 - American Heart Association
 - Juvenile Diabetes Foundation
 - Tomorrow Fund
 - YMCA of Middle Tennessee

A native of Arkansas, Mr. Aclin resides with his family in Nashville, TN.

Willis Auditing Services

COMPANY BACKGROUND AND EXPERIENCE

History of Willis Group

The history of Willis can be traced to the early 19th century with the founding of three London firms, Henry Willis & Co, Faber Brothers, and Dumas & Wylie, the first two of which merged in 1897 to form Willis, Faber & Co. When that firm was joined by Dumas & Wylie, in 1928, Willis, Faber & Dumas Limited came into being. In New York in 1905, the origins of Corroon & Black were established. In 1990, the merger of Willis, Faber & Dumas and Corroon & Black created Willis Corroon which was ultimately taken private in a buyout in 1998 by Kohlberg Kravis Roberts & Co. and a consortium of six insurance companies including AXA, Chubb, Hartford, Royal Sun Alliance, Tokio Marine and Travelers. The following year, the entire operation was renamed Willis Group Limited and in June of 2001, the Group returned to the public ownership arena with an initial public offering (IPO). The Willis Group is now listed on the New York Stock Exchange under ticker symbol WSH.

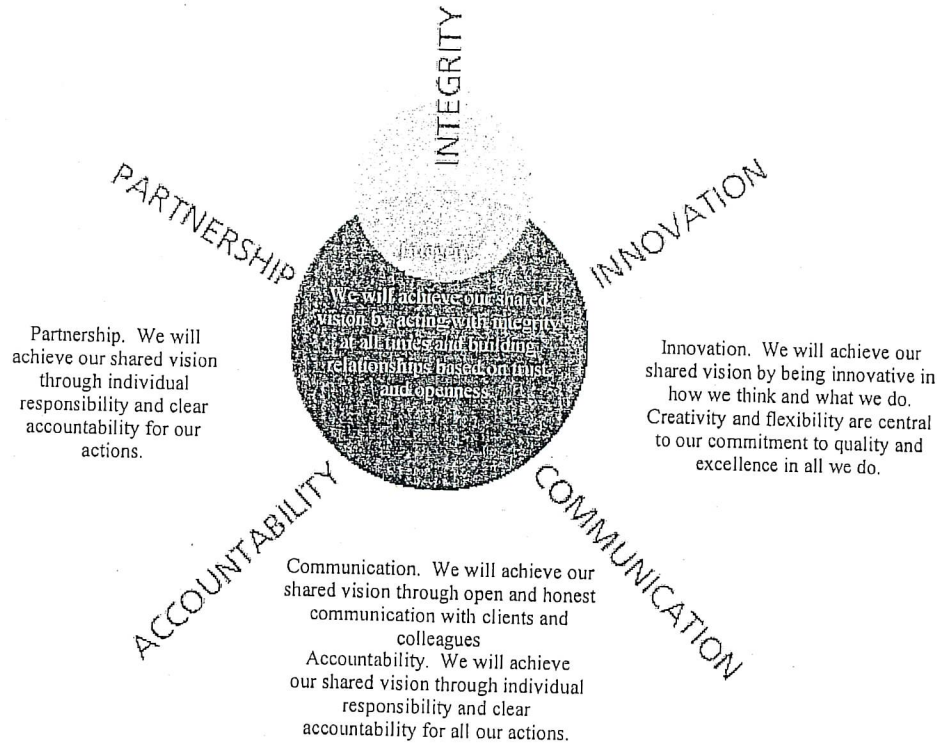
Willis Group Limited, headquartered in London, is one of the only three major risk management and insurance intermediaries that operate on a worldwide basis. The Group, together with its associates employs 13,300 people and is represented through a network of 300 offices in 80 countries.

Willis of Nashville is part of the Willis North America business unit. In the early 1960's, Willis of Nashville opened its office as a start up operation. In those early days, we were known as Corroon and Black. Currently, the Nashville office consists of 105 professionals specializing in all areas of risk management, insurance, bonding and employee benefits.

Willis – Nashville has evolved as a flagship office of the The Willis Group. Our staff has won the coveted Robert F. Corroon Award for top retail office in the United States three times in the last 10 years. Our success lies in an unusual blend of talents, an entrepreneurial team organization, an extremely dynamic and creative style, strong work ethic and a continuing realization that our clients are the reason for our existence.

It is an exciting time at Willis. Joe Plumeri, who had recently retired following a successful career at Citigroup, was appointed Chairman in October 2000 and, under his vigorous leadership, the Group has embarked on its next stage of growth and development. In February of 2001, Mr. Plumeri published the Willis Vision and our Core Values. Our vision describes our firm's management philosophy, service commitment and the goals every Willis associate aspires to achieve, no matter where they are in the world. Our core values describe the attitudes and the behaviors we believe are central to achieving our vision which is vital to the success of our clients.

Willis Core Values



WILLIS CONFIDENTIALITY AGREEMENT

WILLIS agrees to comply with the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as set forth in Title 45, Parts 160 and 164 of the Code of Federal Regulations (CFR), while acting in the role of Business Associate on behalf of WEST ALLIS's Group Health Plan (Health Plan). The following sections describe our responsibility as it pertains to the use and disclosure of Protected Health Information (PHI).

Definitions

Capitalized terms not otherwise defined in this agreement shall have the meanings given to them in Title 45, Parts 160 and 164 of the CFR and are incorporated herein by reference.

Use and Disclosure of PHI

WILLIS shall use and/or disclose PHI only to the extent necessary to satisfy our obligations under this agreement.

Prohibition on Unauthorized Use or Disclosure of PHI

WILLIS shall not use or disclose any PHI received from or on behalf of Health Plan, except as permitted or required by the agreement, as required by law or as otherwise authorized in writing by Health Plan. WILLIS shall comply with:

- a) Title 45, Part 164 of the CFR;
- b) State laws, rules and regulations applicable to PHI not preempted pursuant to Title 45, Part 160, Subpart B of the CFR or the Employee Retirement Income Security Act of 1974 (ERISA) as amended; and
- c) Health Plan's health information privacy and security policies and procedures.

Operations

WILLIS may use PHI it creates or receives for or from Health Plan only to the extent necessary for proper management and execution of the engagement or to carry out WILLIS's legal responsibilities. WILLIS may disclose such PHI as necessary for WILLIS's proper management and administration or to carry out WILLIS's legal responsibilities only if:

- a) The disclosure is required by law; or
- b) WILLIS obtains reasonable assurance, evidenced by written contract, from any person or organization to which WILLIS shall disclose such PHI that such person or organization shall:

- d) changes the meaning or intent of the Standard's Implementation Specification(s)

Subcontractors and Agents

WILLIS shall require each of its subcontractors or agents to whom WILLIS may provide PHI to agree to written contractual provisions that impose at least the same obligations to protect such PHI as imposed on WILLIS by this agreement.

Access to PHI

WILLIS shall provide access, at the request of Health Plan, to PHI in a Designated Record Set, to Health Plan or, as directed by Health Plan, to an individual to meet the requirements under Title 45, Part 164, Subpart E, Section 164.524 of the CFR and applicable state law. WILLIS shall provide access in the time and manner set forth in Health Plan's health information privacy and security policies and procedures. The Health Plan agrees to provide WILLIS with a copy of Health Plan's policies and procedures upon request by WILLIS.

Amending PHI

WILLIS shall make any amendment(s) to PHI in a Designated Record Set that Health Plan directs or agrees to pursuant to Title 45, Part 164, Subpart E, Section 164.526 of the CFR at the request of Health Plan or an Individual, and in the time and manner set forth in Health Plan's health information privacy and security policies and procedures.

Accounting of Disclosures of PHI

WILLIS shall document such disclosures of PHI and information related to such disclosures as would be required for Health Plan to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with Title 45, Part 164, Subpart E, Section 164.528 of the CFR.

WILLIS agrees to provide Health Plan or an individual, in the time and manner set forth in Health Plan's health information privacy and security policies and procedures, information collected in accordance with Section 11(a) above, to permit Health Plan to respond to a request by an individual for an accounting of disclosures of PHI in accordance with Title 45, Part 164, Subpart E, Section 164.528 of the CFR.

Access to Books and Records

WILLIS shall make its internal practices, books and records relating to the use and disclosure of PHI received from or on behalf of Health Plan available to Health Plan and to DHHS or its designee for the purpose of determining Health Plan's compliance with the Privacy Rule.

In the event that WILLIS determines that returning or destroying the PHI is infeasible, WILLIS shall provide to Health Plan notification of the conditions that make return or destruction infeasible. Upon verification by Health Plan that the return or destruction of PHI is infeasible, WILLIS shall extend the protections of the Agreement to such PHI and limit further uses and disclosure of PHI to those purposes that make the return or destruction infeasible, for so long as WILLIS maintains such PHI.