



City of West Allis

Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
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R-2010-0092 Resolution Introduced

Resolution relative to accepting the proposal and approving the agreement of Willis of Wisconsin, Inc. for furnishing Employee Health Benefit Consulting Services for the period January 1, 2010 through December 31, 2012.

Introduced: 3/16/2010

Controlling Body: Administration & Finance Committee

Sponsor(s): Administration & Finance Committee

COMMITTEE RECOMMENDATION

adopt suby to approval of City Attorney

ACTION DATE:

MAR 16 2010

MOVER	SECONDER	
		Barczak
		Czaplewski
		Kopplin
	X	Lajsic
X		Narlock
		Reinke
		Roadt
		Sengstock
		Vitale
		Weigel

AYE	NO	PRESENT	EXCUSED
✓			
✓			
✓			
✓			
✓			

TOTAL

5

SIGNATURE OF COMMITTEE MEMBER

Just Kopplin

Chair

Vice-Chair

Member

COMMON COUNCIL ACTION

ADOPT subject to approval of City Attorney

ACTION DATE:

3-16-10

MOVER	SECONDER	
		Barczak
		Czaplewski
✓		Kopplin
		Lajsic
		Narlock
		Reinke
		Roadt
	✓	Sengstock
		Vitale
		Weigel

AYE	NO	PRESENT	EXCUSED
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			
✓			

TOTAL

10

1

*Paul Zuercher
Audrey Key*

**STANDING COMMITTEES OF THE
CITY OF WEST ALLIS COMMON COUNCIL**

ADMINISTRATION & FINANCE

Chair: Kurt E. Kopplin
Vice-Chair: Vincent Vitale
Thomas G. Lajstic
Richard F. Narlock
Rosalie L. Reinke

PUBLIC WORKS

Chair: Gary T. Barczak
Vice-Chair: Martin J. Weigel
Michael J. Czaplowski
Daniel J. Roadt
James W. Sengstock

SAFETY & DEVELOPMENT

Chair: Thomas G. Lajstic
Vice-Chair: Richard F. Narlock
Kurt E. Kopplin
Rosalie L. Reinke
Vincent Vitale

LICENSE & HEALTH

Chair: Michael J. Czaplowski
Vice-Chair: James W. Sengstock
Gary T. Barczak
Daniel J. Roadt
Martin J. Weigel

ADVISORY

Chair: Rosalie L. Reinke
Vice-Chair: Daniel J. Roadt
Kurt E. Kopplin
Richard F. Narlock
Vincent Vitale



City of West Allis

7525 W. Greenfield Ave.
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Resolution

File Number: R-2010-0092

Final Action: 3/16/2010

Sponsor(s): Administration & Finance Committee

Resolution relative to accepting the proposal and approving the agreement of Willis of Wisconsin, Inc. for furnishing Employee Health Benefit Consulting Services for the period January 1, 2010 through December 31, 2012.

WHEREAS, the Purchasing/Central Services Division previously reported that it duly advertised a request for proposal for furnishing Employee Health Benefit Consulting Services for the City of West Allis in June 2001 and that the initial award was made to Frank Haack & Associates, Inc.; and,

WHEREAS, the initial agreement was extended for one year in 2006; and,

WHEREAS, an additional agreement was extended for three years for 2007 through 2009; and,

WHEREAS, the Purchasing Division and responsible City staff have determined that a sole source procurement is justified in this case based on past familiarity with City health plans; and,

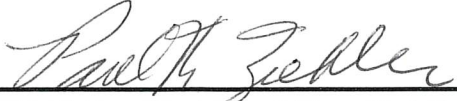
WHEREAS, the Common Council deems it to be in the best interests of the City of West Allis that the agreement with Willis of Wisconsin, Inc. be renewed.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the City of West Allis that the agreement with Willis of Wisconsin, Inc. for providing employee health benefit consulting services be and is hereby approved.

BE IT FURTHER RESOLVED that the proper City officials are hereby authorized and directed to enter into a contract for the aforesaid services.

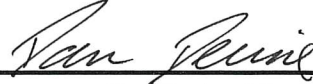
ADM\ORDRES\ADMR389

ADOPTED 03/16/2010



Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED 3/23/10



Dan Devine, Mayor



**City of West Allis
7525 W. Greenfield Ave.
West Allis, WI 53214**

**Willis of Wisconsin, Inc.
2323 N. Mayfair Rd.
Milwaukee, WI 53226**

TERMS OF BUSINESS AGREEMENT – EMPLOYEE BENEFITS ACCOUNTS

The purpose of this document is to record our mutual understanding regarding our professional relationship and the services with which we have agreed to provide you.

City of West Allis and Willis of Wisconsin, Inc. (“WILLIS” and/or “our” and/or “we” and/or “us”) agree as follows:

I. Services and Responsibilities

Subject to all other terms and conditions of this Agreement, WILLIS shall provide the Services identified in Schedule A.

We are committed to acting in your best interests at all times in providing services to you. In order to underscore our commitment to our clients, we have adopted a Client Bill of Rights, a copy of which has been previously provided to you to better explain our commitment to you.

The services we will provide to you rely in part on the facts, information and direction provided by you or your authorized representatives. The parties agree to provide each other with accurate and timely facts, information and direction as is reasonably required.

You agree to render complete and accurate information to WILLIS as to your loss experience and any other information reasonably requested by WILLIS. You also agree to advise WILLIS of any changes in your business operations that may affect the Services to be performed by WILLIS hereunder.



We will assess the financial soundness of the insurers we recommend to provide your coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, we will provide you with our factual analysis of such insurers. We cannot, however, guarantee or warrant the solvency of any insurer or any intermediary that we may use to place your coverage.

You understand and agree that you shall make final decisions with respect to underwriting submissions and all matters relating to your insurance coverage and employee benefits program. We will procure the insurance coverage and services chosen by you, assist in confirming coverage, and review and transmit policies to you.

We will review all policies and endorsements delivered to us by insurers or intermediaries for the purpose of confirming their accuracy and conformity to negotiated specifications and your instructions and advise you of errors in or recommended changes to such policies. You agree that you will also review all policies and endorsements delivered to you and advise us of any questions you have or of any document or provision that you discover which you believe may not be in accordance with your instructions.

We will meet, as requested by you, with your representatives to explain coverage and policies. We will promptly respond to your requests for coverage or other pertinent information and assist you in reporting subsequent changes in information to insurance companies and service providers.

In our capacity as employee benefits professionals, we do not provide legal or tax advice. We encourage you to seek any such advice you need or want from competent legal or tax professionals.

II. Confidentiality

We will treat information you provide us in the course of our professional relationship as confidential, will use it only in performing services for you and, in doing so, will comply with all applicable state or federal privacy laws. We may share this information with third parties as may be required to provide our services. We may also disclose this information to the extent required



to comply with applicable laws or regulations or the order of any court or tribunal. Records you provide us will remain your property and will be returned to you upon request, although we will have the right to retain copies of such records to the extent required in the ordinary course of our business or by law. You will treat any information we provide to you, including data, recommendations, proposals, or reports, as confidential, and you will not disclose it to any third parties. You may, however, disclose this information to the extent required to comply with applicable laws or regulations of the order of any court or tribunal. We retain the sole rights to all of our proprietary computer programs, systems, methods and procedures and to all files developed by us.

In the event that you or any of the benefit plans you sponsor need to enter into business associate agreements with Willis in order to satisfy the requirements of the Health Insurance Portability and Accountability Act, the regulations implementing that Act (the “Standards for Privacy of Individually Identifiable Health Information,” codified at 45 C.F.R. parts 160 and 164), or any other similar law, you agree to execute, or to arrange for the plans to execute business associate agreements similar in form and substance to Exhibit A to this Agreement

III. Compensation /Conflicts of Interest

3 Year Fee: Calendar year 2010: \$40,000 (no increase from 2009)

Calendar year 2011: \$42,000

Calendar year 2012: \$44,100

Payments will be billed quarterly

Your Willis Client Bill of Rights includes a promise that we will disclose to you all compensation received by the Willis Group of companies (“Willis”) in connection with your insurance placement. We are also required to obtain your consent to our compensation prior to effectuating the coverage. In that regard, please note that unless you instruct us otherwise, your selection of coverage and/or payment of the premium related to your insurance placement will

be deemed your signed, written consent to the compensation disclosed during the quotation process or as outlined in the documentation provided by the carrier.

Prior to its merger with Willis, HRH accepted contingent compensation on certain of its clients' accounts; these contingents will be phased out over three years, and no contingents will be accepted on any new clients or business generated after the October 1, 2008 acquisition. The standard profit commission, or commission uplift due to conversion of a contingent contract to an upfront commission schedule, will customarily range from 1% to 5% of the premium amount of the eligible placement. The additional commission will not impact your premium or rates.

Our Fee or the commissions we are entitled to receive may be revised if you request a change in the Coverages and/or Services during the Term of this agreement and we enter into a written agreement documenting any change in Coverages, Services and compensation.

If wholesalers, excess and surplus lines brokers, underwriting managers, or managing general agents have a role in providing insurance products and services to you, they will also earn and retain compensation for their role in providing those products and services. If any such parties are corporate parents, subsidiaries or affiliates of ours, we will also disclose the rate or amount of the commissions they will earn before you purchase the coverage. If such parties are not affiliated with us, and if you desire more information regarding the compensation those parties will receive, please contact us and we will assist you in obtaining this information.

You may choose to use a third party administrator, utilization review company or other similar service provider in connection with the insurance coverages we place for you or the services we provide to you. If you elect to use a service provider from which we or our corporate parents, subsidiaries or affiliates will receive any compensation directly or indirectly relating to the services you purchase from the provider, we will disclose additional information regarding that compensation to you before you make a final decision to use the service provider.

Willis

The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. Notwithstanding any possible conflict which might exist, we will act in your best interests at all times in providing services to you. If a conflict arises for which there is no practicable way of complying with this commitment, we will promptly inform you and withdraw from the engagement, unless you wish us to continue to provide the services and will provide your written consent. Please let us know in writing if you have concerns or we will assume that you understand and consent to our providing our services pursuant to these terms.

Prices on the services specified herein are exclusive of all federal, state, and local sales, use, excise, receipts, gross income and other similar taxes and governmental charges. Any such taxes or charges upon the services provided hereunder, now imposed or hereafter becoming effective during the Term of this agreement, shall be added to the price herein provided and paid by you unless, in lieu thereof, you provide us with a valid tax exemption certificate acceptable to us. Similarly, we reserve the right to pass through to you any mutually agreed reasonable costs related to the printing of your employee communications material, WillisMed data scrubbing, or other out-of-pocket expenses.

IV. Premium/Handling of Funds

You agree to pay premiums and other money that is contractually owed to third parties directly to the insurers or other service providers by the payment dates specified in the insurance policies, invoices or other payment documents. Failure to pay premium on time may prevent coverage from incepting or result in cancellation of coverage and services by the insurer and service provider.

V. Term/Termination

The term of this Agreement shall commence on January 1, 2010 and shall end on December 31, 2012 (the "Term"). Either party may terminate this Agreement at any time by giving the other party ~~sixty (60)~~ ninety (90) days advance written notice of termination, with such termination to be effective immediately upon the expiration of the ~~sixty-ninety (6090)~~ day notice period.

Either party may terminate this Agreement for material breach of the Agreement by giving the other party at least thirty (30) days advance written notice of termination specifying the nature and substance of the breach or breaches. Unless the other party remedies the breach or breaches within the notice period, or makes reasonable progress toward remedying the breach or breaches if complete remedy is not reasonably possible within the notice period, the Agreement shall automatically terminate at the end of the notice period.

Our obligation to render the Services under this agreement ceases at the end of the Term or on termination of the Agreement, whichever is sooner. Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance broker which you designate. Claims and premium or other issues may arise after our relationship ends. Such items are normally handled by the insurance broker or consultant serving you at the time the claim or other issue arises. However, we are willing to consider providing services in these areas after the Term or termination of this Agreement for mutually agreed additional compensation.

VI. Other Provisions

During the Term of this Agreement and for a reasonable period thereafter, you may audit the records and accounts of WILLIS related to this Agreement, at your expense. You agree to give us reasonable advance written notice of any audit and to conduct the audit during normal business hours in a manner which is not unduly disruptive to our ongoing business.

We agree that we may communicate with each other from time to time by electronic mail, sometimes attaching further electronic data as and when the circumstances require attachments.

Willis

By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). We each agree, however, that we will employ reasonable virus checking procedures on our computer systems, and we will each be responsible for checking all electronic communications received for viruses. You will also be responsible for checking that messages received are complete. In the event of a dispute neither of us will challenge the legal evidentiary standing of an electronic document, ~~and the Willis system shall be deemed the definitive record of electronic communications and documentation.~~

This agreement supersedes any and all prior agreements between us regarding the insurance coverages and services set forth on Schedule A and contains all of the terms and conditions agreed upon by the parties hereto, and no agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or be binding upon any of the parties. If any provision of this Agreement is held for any reason to be unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall, nevertheless, remain in full force and effect. No modification, amendment, waiver or release of any right, obligation, claim or cause of action arising hereunder shall be valid or binding for any purpose unless in writing and duly executed by the party against whom the same is asserted. This Agreement shall be binding upon the parties and upon their successors and assigns. The captions, headings and paragraph numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the intent of such paragraphs or in any way affect this Agreement.

~~This Agreement shall be governed by and construed in accordance with the laws of the state in which our office is located~~Wisconsin and any dispute shall be resolved in the appropriate state or federal courts in such jurisdictionMilwaukee County, State of Wisconsin.

Each party shall indemnify and hold harmless the other party and its employees from and against any and all losses, claims, damages, and expenses, including reasonable legal fees ("Damages") caused by any wrongful, intentional, or negligent act, error or omission of the other party, its

agents or employees, except to the extent the Damages were contributed to or compounded by the party requesting indemnification.

The relationship of the parties is that of an independent contractor with respect to all services performed under this Agreement. Willis represents that it has, or will secure, at its expense, all personnel required in performing services under this Agreement. No employee of Willis, while engaged in performing any work or services pursuant to this Agreement, shall have a contractual relationship with You, nor shall such persons be considered Your employees. Neither party to this Agreement is empowered to bind the other with respect to any contracts, arrangement, or understandings with any third party. Neither party shall make any representations to any third parties that are inconsistent with this provision.

Willis shall not assign this Agreement without Your prior written consent, which may be withheld for any or no reason.

The failure of either party to insist in any instance upon the strict performance of any provision of this Agreement or to exercise any election contained herein shall not be construed as a waiver or relinquishment for the future of such provision or election.

Each individual executing this Agreement on behalf of the parties represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of the such party and that this Agreement shall be binding upon said parties in accordance with its terms without the joinder or approval of any other person or governmental entity.

Each of the parties acknowledge that such party and its counsel have reviewed and revised this Agreement and that the rules of construction shall not be employed in the interpretation of this Agreement or any amendments, attachments or exhibits hereto, therefore any ambiguities are not to be resolved against the drafting party.

Willis shall, at its own expense, secure and maintain in full force and effect during the Term of this Agreement at least the following insurance coverages:

[TO COME]

VII. Inquiries and Complaints

Thank you for choosing Willis as your professional insurance service provider. Your satisfaction is important to us. If you have complaints, please inform the person who handles your account. Alternatively, you may contact the head of our office. In the alternative, you may call 1-866-704-5115, the nationwide toll-free number which Willis has established for client feedback and complaints.

City of West Allis

Willis of Wisconsin, Inc.

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Schedule A

SCOPE OF SERVICES

Strategic Planning

- Assist in defining and prioritizing strategic health & welfare plan objectives
- Identify underperforming vendor relationship
- Assess carrier/vendor customer service levels
- Develop project action timelines
- Discuss relevant benchmarking data
- Participate in quarterly Labor/Management Meetings
- Provide wellness resources/expertise to assist the City with overall wellness initiatives

Financial Analysis

- Perform financial review and analysis of experience reports
- Assess current funding arrangements for appropriateness and make recommendations as needed
- Evaluate current costs of benefits versus effectiveness of plan design
- Review managed care expense and administrative service fees (where applicable)
- Analyze utilization data and cost containment results of medical management
- Forecast projected benefit costs to include maximum exposure
- Evaluate excess loss coverage
- Prepare experience reviews as directed
- Assist in developing appropriate employee contributions levels
- Perform trend analysis from available diagnostic and normative data

Renewal

- Analyze and negotiate renewals with vendors
- Review vendor renewal methodology, experience data, and assumptions for accuracy and logic
- Compare vendor renewal with Willis projections
- Develop and present alternative plan designs and provisions with associated financial and member impact analysis
- Finalize program design, rates, and fees
- Prepare an accurate renewal document with recommendations for delivery to senior management (as needed)

Marketing

- Develop plan specification based on feedback from strategic planning meeting
- Jointly determine list of vendors best suited to meet plan goals and objectives
- Develop vendor performance guarantees with monetary penalties as necessary
- Assist in the review of current electronic data transfer processes with vendors
- Perform pre-marketing evaluation of census data, network service areas, and administrative needs
- Evaluate carrier client support services
- Evaluate vendor financial ratings and accreditation
- Review provider network accessibility/employee match
- Perform critical analysis and comparison of plan features and costs
- Assist in the scheduling of selected finalist site visits
- Assist in conducting finalist negotiations
- Assist in the notification of all bidders as to the final outcome

Compliance

- Provide legislative updates as needed
- Provide access to ERISA attorneys for regulatory and compliance updates
- Review plan documents and summary plan descriptions for regulatory compliance from a non-legal perspective
- Provide access to periodic web casts compliance sessions

Ongoing Projects & Services

- **Long Range Strategic Planning / Ongoing Customer Service Support**
 - Strategic Plan development/Evaluate overall objectives
 - Annual Calendar & Strategic Planning Update including Plan Design Consultation
 - Review and Implementation of Cost Containment Procedures where applicable
 - Act as a resource for difficult claim situations
 - Provide quick turnaround time for any employee benefit related issue

- **Contract Management and Renewal Negotiations**
 - Meetings with City of West Allis and vendors when appropriate
 - Performance review for each City of West Allis benefits vendor
 - Trouble shoot claim and administration issues on an on-going basis
 - Review all plan documents and amendments for accuracy to plan specifications
 - Pre-renewal meeting with City of West Allis to discuss renewal strategy
 - Complete Market Study for all lines of coverage
 - Establish Stop Loss risk tolerance scenarios, calculate funding rates and plan alternatives using our underwriting services
 - Coordinate any vendor changes at renewal, if applicable
 - Ensure implementation of policy changes with carrier(s)

- **Medical Plan Assistance**
 - General trends in plan usage compared to industry norms and prior experience
 - PPO provider network evaluation – PPO analysis
 - Year to date costs vs. budget estimates
 - Medical plan design modeling
 - Review chronic illness / disease management options

➤ **Pharmacy Plan Assistance**

- General Trends in plan usage compared to industry norms to assist with making appropriate plan changes (if applicable) and monitoring overall plan performance
- Utilize our on-staff pharmacy resources to provide objective advice and act as an on-going resource to assist with plan design consultation and cost containment strategies
- Evaluate your current financial pricing with Humana and look to improve the overall pricing for 2008
- Components to be reviewed are AWP discounts, dispensing fees, administration fees, rebates and contract details

➤ **Dental Plan Assistance**

- Provide general trends in plan usage compared to industry norms to assist with any plan changes (if applicable) and monitoring overall plan performance
- Complete market study which would include the evaluation of service levels, network performance and cost containment programs
- Complete PPO/Passive network disruption
- Coordinate any proposed vendor or plan design changes which would include complete review of plan documents/amendments
- Negotiate Renewal Fees / Monitor Provider Discounts

➤ **Wellness Services**

- Data analysis and needs assessment utilizing Decision Master® Warehouse
- Assistance in creating a targeted business plan
- Support for the implementation of the business plan through our communication resources
- Assistance in evaluation of wellness efforts
- Assistance with Wellness Committee agenda and goals

➤ **Compliance Assistance with State and Federal Mandates**

- Legislative Updates on benefit law changes
- Recommendation on plan provisions to comply with benefit law changes
- Proactive advice on proposed benefit law changes
- Provide on-line legislative guides relating to HIPAA, HIPAA Privacy, COBRA, FMLA and Section 125 Programs

➤ **Communication Services**

- Healthcare and related educational employee communication pieces
- Pertinent benefit articles, survey and emerging industry trends
- Assistance with employee surveys, online employee communication newsletters (Health Shop) via client MyWave

Account Management Services

- Serve as a liaison between the client and all insurance companies/vendors
- Monitor administrative process and assist in the smooth resolution of elevated issues
- Act as an employee/employer advocate in the resolution of ongoing claims issues
- Audit, confirm, and manage all changes in legal documents (contracts, policies, SPDs, etc.)
- Review plan performance as directed
- Identify and monitor potential catastrophic claims
- Review large claims management activity
- Review network utilization

- WillisMed - Implement the WillisMed tool to provide detailed claim analysis using procedure and diagnoses codes
- Compliance Manual – provide access via the Internet to Willis Compliance Manual
- Provide access for two users to Search Willis knowledge and research system



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Willis

to comply with applicable laws or regulations or the order of any court or tribunal. Records you provide us will remain your property and will be returned to you upon request, although we will have the right to retain copies of such records to the extent required in the ordinary course of our business or by law. You will treat any information we provide to you, including data, recommendations, proposals, or reports, as confidential, and you will not disclose it to any third parties. You may, however, disclose this information to the extent required to comply with applicable laws or regulations of the order of any court or tribunal. We retain the sole rights to all of our proprietary computer programs, systems, methods and procedures and to all files developed by us.

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If wholesalers, excess and surplus lines brokers, underwriting managers, or managing general agents have a role in providing insurance products and services to you, they will also earn and retain compensation for their role in providing those products and services. If any such parties are corporate parents, subsidiaries or affiliates of ours, we will also disclose the rate or amount of the commissions they will earn before you purchase the coverage. If such parties are not affiliated with us, and if you desire more information regarding the compensation those parties will receive, please contact us and we will assist you in obtaining this information.

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V. Term/Termination

The term of this Agreement shall commence on January 1, 2010 and shall end on December 31, 2012 (the "Term"). Either party may terminate this Agreement at any time by giving the other party ninety (90) days advance written notice of termination, with such termination to be effective immediately upon the expiration of the ninety (90) day notice period.

Either party may terminate this Agreement for material breach of the Agreement by giving the other party at least thirty (30) days advance written notice of termination specifying the nature and substance of the breach or breaches. Unless the other party remedies the breach or breaches within the notice period, or makes reasonable progress toward remedying the breach or breaches if complete remedy is not reasonably possible within the notice period, the Agreement shall automatically terminate at the end of the notice period.

Our obligation to render the Services under this agreement ceases at the end of the Term or on termination of the Agreement, whichever is sooner. Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance broker which you designate. Claims and premium or other issues may arise after our relationship ends. Such items are normally handled by the insurance broker or consultant serving you at the time the claim or other issue arises. However, we are willing to consider providing services in these areas after the Term or termination of this Agreement for mutually agreed additional compensation.

VI. Other Provisions

During the Term of this Agreement and for a reasonable period thereafter, you may audit the records and accounts of WILLIS related to this Agreement, at your expense. You agree to give us reasonable advance written notice of any audit and to conduct the audit during normal business hours in a manner which is not unduly disruptive to our ongoing business.

We agree that we may communicate with each other from time to time by electronic mail, sometimes attaching further electronic data as and when the circumstances require attachments. By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). We each agree, however, that we will employ reasonable virus checking procedures on our computer systems, and we will each be responsible for checking all electronic communications received for viruses. You will also be responsible for checking that messages received are complete.

Willis

In the event of a dispute neither of us will challenge the legal evidentiary standing of an electronic document.

This agreement supersedes any and all prior agreements between us regarding the insurance coverages and services set forth on Schedule A and contains all of the terms and conditions agreed upon by the parties hereto, and no agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or be binding upon any of the parties. If any provision of this Agreement is held for any reason to be unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall, nevertheless, remain in full force and effect. No modification, amendment, waiver or release of any right, obligation, claim or cause of action arising hereunder shall be valid or binding for any purpose unless in writing and duly executed by the party against whom the same is asserted. This Agreement shall be binding upon the parties and upon their successors and assigns. The captions, headings and paragraph numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the intent of such paragraphs or in any way affect this Agreement.

This Agreement shall be governed by and construed in accordance with the laws of Wisconsin and any dispute shall be resolved in the appropriate state or federal courts in Milwaukee County, State of Wisconsin.

Each party shall indemnify and hold harmless the other party and its employees from and against any and all losses, claims, damages, and expenses, including reasonable legal fees (“Damages”) caused by any wrongful, intentional, or negligent act, error or omission of the other party, its agents or employees, except to the extent the Damages were contributed to or compounded by the party requesting indemnification.

The relationship of the parties is that of an independent contractor with respect to all services performed under this Agreement. Willis represents that it has, or will secure, at its expense, all personnel required in performing services under this Agreement. No employee of Willis, while engaged in performing any work or services pursuant to this Agreement, shall have a contractual relationship with You, nor shall such persons be considered Your employees. Neither party to

this Agreement is empowered to bind the other with respect to any contracts, arrangement, or understandings with any third party. Neither party shall make any representations to any third parties that are inconsistent with this provision.

Willis shall not assign this Agreement without Your prior written consent, which may be withheld for any or no reason.

The failure of either party to insist in any instance upon the strict performance of any provision of this Agreement or to exercise any election contained herein shall not be construed as a waiver or relinquishment for the future of such provision or election.

Each individual executing this Agreement on behalf of the parties represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of the such party and that this Agreement shall be binding upon said parties in accordance with its terms without the joinder or approval of any other person or governmental entity.

Each of the parties acknowledge that such party and its counsel have reviewed and revised this Agreement and that the rules of construction shall not be employed in the interpretation of this Agreement or any amendments, attachments or exhibits hereto, therefore any ambiguities are not to be resolved against the drafting party.

Willis shall, at its own expense, secure and maintain in full force and effect during the Term of this Agreement at least the following insurance coverage's:

Insurance

- (a) Willis shall, at it's own expense and from carriers acceptable to the City, secure and maintain in full force and effect during the term of this Agreement at least the following insurance Coverage (which policies shall have a form and content acceptable to the City Attorney):
 - (i) An employer's liability insurance policy in an amount not less than One Million Dollars (\$1,000,000)

Willis

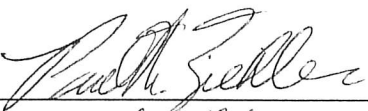
- (ii) Worker's Compensation insurance as required by law.
 - (iii) A commercial general liability insurance policy in an amount not less than One Million Dollars (\$1,000,000)
 - (iv) An automobile liability insurance policy with limits of no less than One Million Dollars (\$1,000,000)
 - (v) An errors and omissions insurance policy with an aggregate limit of not less than One Million Dollars (\$1,000,000).
- (b) Willis shall provide the City with certificates evidencing such insurance and naming the City as an additional insured on all lines of coverage with the exception of Errors and Omission (Professional Liability), Workers Compensation and Employer's Liability insurance. The certificates shall provide that the insurance shall not be canceled or modified except upon at least thirty (30) days prior written notice to the City. Further, the insurance must be primary coverage without the right of contribution from any parent corporation insurance. Insurance maintained by the City for its exclusive benefit and shall not inure to the benefit of Willis. These certificates shall be provided within 10 days of execution of this agreement. Notwithstanding the City's payment obligations described herein, in the event Willis fails to provide the City with the certificates of insurance as set forth herein, the City may withhold payment until receipt.


VII. Inquiries and Complaints

Thank you for choosing Willis as your professional insurance service provider. Your satisfaction is important to us. If you have complaints, please inform the person who handles your account. Alternatively, you may contact the head of our office. In the alternative, you may call 1-866-704-5115, the nationwide toll-free number which Willis has established for client feedback and complaints.

City of West Allis

Willis of Wisconsin, Inc.

By: 
Title: City Manager / ce. Tr.
Date: 3/26/10

By: 
Title: SVP
Date: 3-28-10

Schedule A

SCOPE OF SERVICES

Services
<p>Strategic Planning</p> <ul style="list-style-type: none"> • Assist in defining and prioritizing strategic health & welfare plan objectives • Identify underperforming vendor relationship • Assess carrier/vendor customer service levels • Develop project action timelines • Discuss relevant benchmarking data • Participate in quarterly Labor/Management Meetings • Provide wellness resources/expertise to assist the City with overall wellness initiatives
<p>Financial Analysis</p> <ul style="list-style-type: none"> • Perform financial review and analysis of experience reports • Assess current funding arrangements for appropriateness and make recommendations as needed • Evaluate current costs of benefits versus effectiveness of plan design • Review managed care expense and administrative service fees (where applicable) • Analyze utilization data and cost containment results of medical management • Forecast projected benefit costs to include maximum exposure • Evaluate excess loss coverage • Prepare experience reviews as directed • Assist in developing appropriate employee contributions levels • Perform trend analysis from available diagnostic and normative data

Services
<p>Renewal</p> <ul style="list-style-type: none"> • Analyze and negotiate renewals with vendors • Review vendor renewal methodology, experience data, and assumptions for accuracy and logic • Compare vendor renewal with Willis projections

- Develop and present alternative plan designs and provisions with associated financial and member impact analysis
- Finalize program design, rates, and fees
- Prepare an accurate renewal document with recommendations for delivery to senior management (as needed)

Marketing

- Develop plan specification based on feedback from strategic planning meeting
- Jointly determine list of vendors best suited to meet plan goals and objectives
- Develop vendor performance guarantees with monetary penalties as necessary
- Assist in the review of current electronic data transfer processes with vendors
- Perform pre-marketing evaluation of census data, network service areas, and administrative needs
- Evaluate carrier client support services
- Evaluate vendor financial ratings and accreditation
- Review provider network accessibility/employee match
- Perform critical analysis and comparison of plan features and costs
- Assist in the scheduling of selected finalist site visits
- Assist in conducting finalist negotiations
- Assist in the notification of all bidders as to the final outcome

Services

Compliance

- Provide legislative updates as needed
- Provide access to ERISA attorneys for regulatory and compliance updates
- Review plan documents and summary plan descriptions for regulatory compliance from a non-legal perspective
- Provide access to periodic web casts compliance sessions

Ongoing Projects & Services

- **Long Range Strategic Planning / Ongoing Customer Service Support**
 - Strategic Plan development/Evaluate overall objectives
 - Annual Calendar & Strategic Planning Update including Plan Design Consultation
 - Review and Implementation of Cost Containment Procedures where applicable
 - Act as a resource for difficult claim situations
 - Provide quick turnaround time for any employee benefit related issue

➤ **Contract Management and Renewal Negotiations**

- Meetings with City of West Allis and vendors when appropriate
- Performance review for each City of West Allis benefits vendor
- Trouble shoot claim and administration issues on an on-going basis
- Review all plan documents and amendments for accuracy to plan specifications
- Pre-renewal meeting with City of West Allis to discuss renewal strategy
- Complete Market Study for all lines of coverage
- Establish Stop Loss risk tolerance scenarios, calculate funding rates and plan alternatives using our underwriting services
- Coordinate any vendor changes at renewal, if applicable
- Ensure implementation of policy changes with carrier(s)

➤ **Medical Plan Assistance**

- General trends in plan usage compared to industry norms and prior experience
- PPO provider network evaluation – PPO analysis
- Year to date costs vs. budget estimates
- Medical plan design modeling
- Review chronic illness / disease management options

➤ **Pharmacy Plan Assistance**

- General Trends in plan usage compared to industry norms to assist with making appropriate plan changes (if applicable) and monitoring overall plan performance
- Utilize our on-staff pharmacy resources to provide objective advice and act as an on-going resource to assist with plan design consultation and cost containment strategies
- Evaluate your current financial pricing with Humana and look to improve the overall pricing for 2008
- Components to be reviewed are AWP discounts, dispensing fees, administration fees, rebates and contract details

➤ **Dental Plan Assistance**

- Provide general trends in plan usage compared to industry norms to assist with any plan changes (if applicable) and monitoring overall plan performance
- Complete market study which would include the evaluation of service levels, network performance and cost containment programs
- Complete PPO/Passive network disruption
- Coordinate any proposed vendor or plan design changes which would include complete review of plan documents/amendments
- Negotiate Renewal Fees / Monitor Provider Discounts

➤ **Wellness Services**

- Data analysis and needs assessment utilizing Decision Master® Warehouse
- Assistance in creating a targeted business plan
- Support for the implementation of the business plan through our communication resources
- Assistance in evaluation of wellness efforts
- Assistance with Wellness Committee agenda and goals

➤ **Compliance Assistance with State and Federal Mandates**

- Legislative Updates on benefit law changes
- Recommendation on plan provisions to comply with benefit law changes
- Proactive advice on proposed benefit law changes
- Provide on-line legislative guides relating to HIPAA, HIPAA Privacy, COBRA, FMLA and Section 125 Programs

➤ **Communication Services**

- Healthcare and related educational employee communication pieces
- Pertinent benefit articles, survey and emerging industry trends
- Assistance with employee surveys, online employee communication newsletters (Health Shop) via client MyWave

Services

Account Management Services

- Serve as a liaison between the client and all insurance companies/vendors
- Monitor administrative process and assist in the smooth resolution of elevated issues
- Act as an employee/employer advocate in the resolution of ongoing claims issues
- Audit, confirm, and manage all changes in legal documents (contracts, policies, SPD's, etc.)
- Review plan performance as directed
- Identify and monitor potential catastrophic claims
- Review large claims management activity
- Review network utilization

Willis Resources and Tools

- WillisMed - Implement the WillisMed tool to provide detailed claim analysis using procedure and diagnoses codes
- Compliance Manual – provide access via the Internet to Willis Compliance Manual
- Provide access for two users to Search Willis knowledge and research system

