



APPENDIX A

May 29, 2015

Proposal for City of West Allis

Overview

The Affordable Care Act (ACA) impacts many employers and requires careful planning and policy making, as well as monitoring of employee eligibility for medical benefits coverage.

Health E(fx) is a comprehensive software and service solution that automates all employer data from existing systems (including payroll, HRIS, time and attendance, FMLA, Leave of Absence, COBRA and benefits administration), and provides complete tracking and fully automated compliance, audit, and benefits management under the ACA for the employer and its third-party support teams.

The extensive and modular capability of the Health E(fx) solution is unique in the market. Completely automated ACA compliance combined with the most robust analytics platform specifically integrating the ACA gives you:

- ✓ **Eligibility Tracking:** Track and identify eligible employees across multiple ACA measurement periods and employee classifications, including all variable and seasonal employees and all available variable employee affordability safe harbors.
- ✓ **Workforce Management:** Ensure compliance to policy at corporate, business unit, and individual employee level. Monitor against ACA required eligibility.
- ✓ **Employee Notifications:** Automated generation of required notices of eligibility changes and trends for all employees as well as Marketplace Notifications for new hires.
- ✓ **Compliance Alerting:** Automated alerting and action routing across the organization based on employer-specific security and access rights established during configuration and implementation.
- ✓ **Compliance Reporting:** Automate required IRS reporting as defined under IRC 6055 and IRC 6056.
- ✓ **Ongoing Compliance:** Compliance monitoring and automated updates for changes in regulatory parameters ensures ongoing compliance across both federal and state rules.
- ✓ **Industry-Shifting Data Analytics:** The only ACA-compliant analytics solution that enables detailed insights into your benefits, demographics, compliance risks, and data. Collaborate internally (and/or externally with advisors and brokers, if desired) to analyze strategies, pricing, options, risks, workforce goals, and financial impacts etc., based on current and accurate data. Know the answers instantly – without spreadsheets!

- ✓ **Employee Look-up:** Quickly search eligibility, measurement, work history, and trend data for all individual employees, groups of employees, divisions, and operations. View critical employee data instantly. Enable secure, restricted access to internal or external call centers, advisors, and third-party administrators.
- ✓ **Auditing:** Maintain full compliance audit history for retrospective and prospective penalty assessment reconciliation within Sarbanes-Oxley and HIPAA compliance requirements.
- ✓ **HR System Independence:** Health E(fx) automates required data from existing HR systems, regardless of vendor or version, regardless of number of systems (time and attendance, HRIS, payroll, FMLA, benefits administration) or complexity of payroll cycles. Eligibility data is available to downstream enrollment and exchange platforms, streamlining the compliance and eligibility determination process with the enrollment process without disruption to the organization.
- ✓ **Speed of Implementation:** Health E(fx) architecture and resulting data integration processes and implementation speeds that lead the industry, without changes to current HR or IT staffing.
- ✓ **Scales with the Organization:** Health E(fx) facilitates rapid integration of new employee groups resulting from acquisitions or divestitures, growth, or strategic operation changes. New data feeds (regardless of source system) are added without disruption or downtime.
- ✓ **Optional Forms Fulfillment:** Health E(fx) facilitates forms fulfillment services, automating 1094 filing and 1095 forms distribution. Forms fulfillment options include:
 - Standard print & mail
 - Self-service electronic employee portal
 - Integrated print fulfillment and electronic employee portal
 - Correcting forms management (independent of managed services)



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Cost Summary

Health E(fx) Enterprise	Fee Basis	Fees
Implementation Services	One-Time Fee	\$8,800
Compliance and Reporting Module	Annual Subscription	\$9,800
Optional Analytics Module	Annual Subscription	\$3,500
1094 and 1095 Series IRS Forms (Electronic generation – does not include fulfillment)	Annual	\$3,500
Unlimited User Seats	Included	Included

Additional Services

Service	Fee Basis	Fees
**1095 Forms Fulfillment	One-Time Set Up Fee	\$1,150
	Standard Print & Mail - Per Form	\$0.92
	**Combined Print and Electronic Portal Per Form	\$1.30
	Annual Portal License Fee	\$1,725

** Final fulfillment pricing is based on actual services selected. If electronic portal is selected, employee self-service pricing is reduced to \$0.62 per form for each employee that elects to receive forms via electronic portal.



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Assumptions

- Based on a 700 employee group size up to 999 employees
- Pricing is in effect for three years with annual 4% adjustment
- Proposal and pricing is effective for 30 days
- Assumes one roll-up ALE parent control group and all sub entity FEINs
- Based on information (i.e. number of ALE control groups, data feeds, FEINs, etc.) shared and collected on the Proposal Data Form on May 29, 2015

Next Steps

Thank you for considering Health E(fx). Health E(fx) is the industry-leading solution for clarity, compliance, and control for the employer under the ACA. We are happy to schedule review with you and are available to discuss this proposal and answer any questions.

Contract agreements will be provided upon request. With agreements completed, Health E(fx) will schedule the next-available kick-off meeting with the City of West Allis team.

Thank you for the opportunity to propose how Health E(fx) will solve the data, tracking, reporting, compliance, and management of the ACA for City of West Allis. We look forward to discussing this proposal and answering any follow-up questions with you!

Sincerely,

Greta Golfis

Greta Golfis
Account Executive
Health E(fx)
O: 612-225-4492 ext. 711
Greta.golfis@healthefx.us

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