

Personnel
320-17

17-0307

RESOLUTION
ASSOCIATED FINANCIAL GROUP

WHEREAS, the Common Council of the City of Manitowoc desires to have a Benefits Broker for the City's Medical Plan, to represent the City by providing cost effective, professional strategic planning with a vision for what the future of the City's Medical Plan Design should look like; and

WHEREAS, the City requested and received numerous proposals from benefit brokers for the calendar year 2018, and after review Associated Financial Group meets all of the required compliance guidance and resources to successfully guide the City through the ever changing health care initiatives, and has the ability to provide a cost conscious program while showing a significant return on investment for the City's health care for both the employee and the City; and

WHEREAS, at a meeting held on Monday, March 6th, 2017, the Personnel Committee recommended to accept the recommendation of and enter into the attached agreement with Associated Financial Group as the City's Benefits Broker for the administration the City's Medical Plan for City employees for the calendar years 2018 through 2020; and

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Common Council of the City of Manitowoc authorize the Human Resources Director and Finance Director to sign the attached agreement and any related documents that are necessary throughout the year.

Introduced **MAR 20 2017** _____

Adopted _____

Approved _____

Justin M. Nickels, Mayor

This Resolution was drafted by Kathleen M. McDaniel, City Attorney

Fiscal Impact: \$42,000
Funding Source: Wellness Fund
Finance Director Approval: /sc
Approved as to form: /kmm



Associated Financial Group
Employee Benefits. Insurance. HR Solutions

SERVICE FEE AGREEMENT

This Agreement is entered into on the 1st day of January, 2018, by and between the City of Manitowoc, a Wisconsin municipal corporation located at 900 Quay Street, Manitowoc, WI 54220 (hereinafter "City"), and Associated Financial Group, doing business as Associated Benefits and Risk Consulting, a Wisconsin limited liability corporation located at 711 Eisenhower Drive, Kimberly, Wisconsin 54136 (hereinafter "ABRC").

- A. ABRC is primarily engaged in the insurance brokerage business.
- B. ABRC routinely helps its clients assess their insurance risks and needs, designs plans of insurance, and obtains cost quotes based on these plans, and places insurance with insurance carriers.
- C. ABRC is typically compensated for its efforts through the commissions it receives in brokering the sale of insurance to its clients.
- D. ABRC has been discussing insurance risks and needs with the City and wishes to enter into a business relationship with the City as the City's benefits broker. City designated ABRC to be its official Agent of Record, and has completed (or will complete) any forms necessary to do so, subject to the City's ability to approve the language in said forms.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises and conditions contained in this Agreement, the Parties agree as follows:

1. **City's Performance:** City will provide ABRC with, and give ABRC full access to whatever information ABRC determines is necessary to enable ABRC to perform fully and effectively under this Agreement.
2. **ABRC's Performance:** ABRC will evaluate City's insurance risk areas, compare and recommend insurance coverage options, design a plan of insurance (based upon discussions between the parties), obtain quotes for said plan, and procure or attempt to procure insurance suitable to City's needs. ABRC has provided City with a Service Plan detailing the service commitments it will make to City in connection with this Agreement, which is attached to this Agreement as Exhibit A. In addition to the services in Exhibit A, ABRC agrees to analyze wellness programs available to the City and provide a recommendation of three wellness providers that provide a web-based wellness porta that can incentivize health behaviors.
3. **Acknowledgement:** City acknowledges that ABRC's promises, as set forth above, represent a significant investment of time, effort, and expense on the part of ABRC, and are services for which ABRC is normally compensated through the commissions it receives as a result of entering into a business/insurance agency relationship with its clients.
4. **Compensation:** City acknowledges that ABRC shall be entitled to compensation for the efforts it makes pursuant to this agreement, according to the following terms:

Fees. For the services described herein, City shall pay ABRC fees of \$42,000 annually, to be invoiced monthly for services rendered.

Contingency Compensation. Some carriers, vendors, or third parties may pay contingency compensation for business that ABRC may place with them. Such contingency compensation does not alter or increase the cost of the services that ABRC is brokering or performing on behalf of City, and thus does not increase the costs that City pays for the provision of such services. Therefore, in addition to any fees described above, ABRC shall be entitled to any contingency compensation resulting from its work on behalf of City irrespective of any other provisions elected under this Agreement. ABRC must disclose all contingency compensation that may be received to the City of Manitowoc in a separate document provided to the Human Resources Director and Finance Director when making benefits recommendations.

Commissions. City does not want ABRC to receive commissions for some of the services ABRC may provide or broker under this Agreement, regardless of whether such commissions increase the cost of the services provided or brokered.

If for some only, please indicate the specific limitations for accepting commissions below:

ABRC shall only receive commission on any voluntary benefits for which the City does not provide any contributions.

Payment: City shall pay any fee assessed by ABRC in connection with ABRC's performance under this Agreement prior to ABRC performing any work for the invoiced period. City shall pay any fees invoiced by ABRC no later than 30 days after receiving an invoice from ABRC. City will make payment of fees after receiving an invoice from ABRC.

5. **Agreement Term and Termination:** This Agreement shall terminate on December 31, 2020. Either party may seek to terminate this Agreement at any time in the event of a breach of this Agreement. However, before doing so, the Party seeking to terminate this Agreement must provide the other Party with at least 30 days' notice in writing of the breach. Upon receipt of such written notice of breach, the responding party shall have 30 days to cure the breach. In addition, the City may terminate this Agreement at the end of a calendar year by giving 60 days' written notice to ABRC.
6. **Confidentiality:** All information and advice exchanged between the Parties (including their agents and employees) shall be treated as confidential, and shall not be disclosed to third parties except: 1) as agreed upon in writing, 2) where necessary to accomplish the purposes of this Agreement, or 3) as required by law. In addition, each party agrees promptly to advise the other party in writing of any unauthorized misappropriation, disclosure or use by any person of Confidential Information which may come to its attention, and to take all reasonable steps to limit, stop or otherwise remedy such misappropriation, disclosure or use. The confidentiality provisions contained herein shall continue and stay in effect even after the expiration of this Agreement. ABRC understands that the City is subject to Wisconsin's Open Records laws and agrees to fully cooperate with the City in producing documents to fill any open records requests.
7. **Final Agreement:** This Agreement is an independent document that contains all of the covenants and agreements between the parties with respect to the matters covered herein, and supersedes any and all other Agreements, whether oral or in writing, between the parties.
8. **Disclaimer.** While knowledge of the legal, tax, and financial issues related to the products, services, and advice offered by Associated Benefits and Risk Consulting is an important part of our expertise, the products, services, and advice themselves do not constitute, and should not be construed as providing, legal, tax, or financial advice. City agrees that it will use the

products, services, or advice offered under this Agreement at its own risk, and takes full responsibility for any use it may make of the products, services, or advice offered under this Agreement. City acknowledges that, in providing products, services, or advice under this Agreement, ABRC is not acting in the capacity of a fiduciary, and City hereby waives any rights it may have to pursue any type of fiduciary claim against ABRC.

City is seeking ABRC's expertise and recommendations with respect to the products, services, and advice offered by ABRC under this Agreement. However, ABRC cannot control the manner in which City may interpret or utilize the products, services, and advice offered by ABRC under this Agreement. Therefore, City hereby agrees that any claims it may have against ABRC as a result of products, services, or advice provided under this Agreement will be limited to the amounts actually paid by City to ABRC pursuant to this Agreement except where ABRC's performance results in willful misconduct or gross negligence.

9. **Indemnification and Insurance:** ABRC agrees that it shall provide to the City at its own cost and expense insurance as specified below with a company or companies authorized to do business in the State of Wisconsin. All coverage required shall apply its employees and agents named as additional insured as their interests may appear. A Certificate of Insurance for all required insurance shall be filed with the City prior to ABRC and the City executing this Agreement. City shall provide proof of comprehensive general liability insurance including contractual liability, personal injury liability, products and completed operations with minimum limits of \$1,000,000 per occurrence. This insurance shall be required for the full term of the agreement and any renewal periods. ABRC shall also carry statutory workers' compensation coverage.
10. ABRC and City shall each indemnify, defend and hold harmless the other party, and the other party's officers, directors, employees, members and agents, and each of them, from any and all claims, actions, causes of action, demands or liabilities of whatsoever kind or nature, including judgments, interest, attorneys' fees, and all other costs, fees, expenses and charges in any way resulting from or arising out of its breach of this agreement, gross negligence, willful misconduct and those of its officers, agents, employees, or any one of them, in connection with or in any way related to this agreement. ABRC is not liable for acts by other contractors unless such acts occurred in whole or in part from the negligence of ABRC.
11. **Modifications:** Any modification of this Agreement shall be effective only if it is in writing, signed and dated by all parties hereto.
12. **Jurisdiction:** This Agreement is to be construed pursuant to Laws of the State of Wisconsin. Jurisdiction and venue for any claim arising out of this Agreement shall be made in Manitowoc County Circuit Court.

By signing this Agreement, the Parties agree to the terms as set forth above.

City of Manitowoc

Associated Benefits and Risk Consulting

By: Steve Corbeille, Finance Director

By: Jay N. Scott/Senior Vice President

Jessie Lillibridge, Human Resources Director

Print Name/Title

Print Name/Title

Signature: _____

Signature: _____

Date: _____

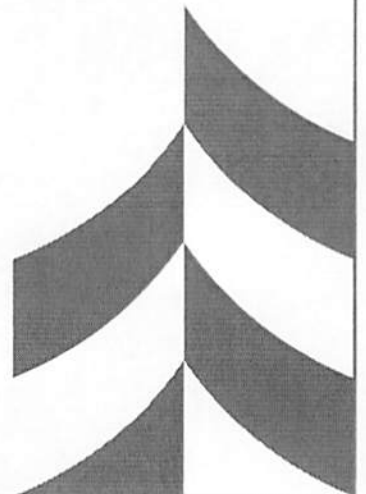
Date: _____

Exhibit A
Client Service Plan

CLIENT SERVICE PLAN

January 1, 2017 ---- December 31, 2017

Prepared for:



Client Service Plan

The purpose of this plan is to illustrate our commitment to service organization's unique benefits needs. By clarifying both parties' expectations, our desire is to promote and sustain a trusted business partnership.

Strategy

Key initiatives for this year

1. Initiate wellness vendor Request for Proposal (RFP) and work to recommend new wellness platform, replacing OneCommunity and Wellness Scorecard. Vendor selection to occur by end of April 2017.
2. Clinic related - analyze opportunities for PT services to be rendered onsite at Manty Clinic, or confirm that Aurora will rectify the PT claims billing issues.
3. Budget Focused – work to ensure low to no cost increase for the 2018 medical and prescription drug plan year.

Long term strategic initiatives

1. Review HSA/HDHP plan modeling
2. Review additional disease management opportunities/programming via the Manty Clinic
- 3.
- 4.

	Time frame	Notes
Medical and Rx plan design	Midterm/June	Review existing design for possible tweaks along with review HSA/HDHP plan modeling
Virtual/concierge medical services	Ongoing	LiveHealth Online already in existence. Review utilization and consider campaigns to improve plan member engagement.
Ancillary offerings	NA	Much marketing of ancillary plans was done in 2016.
Voluntary/worksites benefits	NA	Will consider accident/critical illness at point of HSA/HDHP offering. Vol. STD rolled out 3/1/2016. Vol. LTD previously marketed in 2016 – not going to be offered in the near future.
Contribution strategies	Midterm/June	
Funding arrangements	Ongoing	

Renewal management	Time frame	Notes
Leverage vendor relationships and expertise to accomplish best pricing	Ongoing	
Mid-term evaluation	June	
Marketing planning and execution	Q2 Q3	TASC, Stop loss marketing

* Additional cost to client for this service may apply.

Plan modeling	Midterm/June	
Facilitate Third Party Administration Relationships (FSA/HRA/HSA, COBRA, Flex Administration)	Q2 Q3	Market services rendered by TASC. Consider EBC or other appropriate vendor.

Reporting/analytics and tools	Time frame	Notes
Medical and Rx Claims analysis	June (Midterm) and Renewal Presentation (August)	
Benchmarking	Midterm/June	

Health management solutions	Time frame	Notes
Tools and resources	All are a part of the RFP vendor process Completed by end of April 2017.	All to be completed by end of April 2017. Initially, invites expected to be extended to: myInertia, Go365, Optum, EBC Wellness.
Wellness program consulting		
Compliance review of program		
Vendor selection assistance		

Client interactions	Time frame	Notes
Meeting format and schedule	Midterm/ Renewal and as needed	
Committee participation	As needed	As needed, ABRC team members will attend personnel and other council meetings.

HR and compliance support	Time frame	Notes
HR Hotline and HR360*	Renewed for another 15 months	ABRC to reach out to HR Director to ensure knowledge of all available services are completely understood.
Affordable Care Act (ACA) compliance guidance	Ongoing	Webinar and additional education opportunities are frequently communicated to clients via email invite.

* Additional cost to client for this service may apply.

ACA Play or Pay Implementation Guide	Completed summer 2015	
ACA Reporting Guide	Completed	Guide and applicable updates are available via ABRC Client Access.
ACA assessment and planning tools	Ongoing	
Insurance plan and related documents review (SPD, ASA, Certificate booklets)	Ongoing	
Support for 5500 processing	NA	Not applicable to a municipality
Supplemental wrap document preparation	NA	Not applicable to a municipality

Technology consulting	Time frame	Notes
HR management systems	Futuristically, the City would like to consider a more robust HRIS system to include employee self-service and other available solutions.	HRIS to be considered for the City in the future – ABRC updated the City about our no cost Technology consulting capabilities. Will continue to discuss assistance in this area as we meet for planning purposes.
Talent management systems		
Employee self-service systems		
Employee productivity and feedback systems		
Employee wellness and lifestyle applications		
Implementation support*		

Benefit communication	Time frame	Notes
Conduct employee meetings	As needed	
Open enrollment/new hire materials	As needed	
Client portal (Client Access)	Access already available	
Employee portal (Employee Access)	NA	City already makes available a site to received employee/co. information
Customized online employee education	As needed	
Health plan selection tool	Available as needed	At such time the City offers more than one medical plan, this tool is available to the city.
Employee consumerism toolkit		
Compensation statements	Ongoing	The City initiated compensation statements for the first time via ABRC in February.

* Additional cost to client for this service may apply.

Employee surveys	As needed	ABRC can assist with any benefit related survey needs.
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Client education	Time frame	Notes
Publications – articles, eBooks, trend study and case studies	Ongoing	
Seminars and webinars	Ongoing	Updated HR Solutions Webinar/Training schedule was provided to the City at last planning meeting.
Annual Leaders Forum	May 17 th 8 a.m. to 12 noon	Green Bay, Wisconsin KI Convention Center –Dr. Paul Stolz has been invited as Keynote Speaker: <i>One of the country's top 100 innovative thinkers of our time.</i> Presentation will focus on the application of Grit and Resilience.

Other service offerings*	Time frame	Notes – services mentioned in this section are also available to the City. Upon request, the ABRC team can assist with sharing information to City representatives, regarding solutions that fall in the below mentioned service categories.
Retirement plan solutions		
Business insurance		
Workers' compensation		
Risk management		
Executive benefits and advanced planning		
Personal insurance and risk management		
Financial wellness education		
Private banking		
Personal trust and estate services		
Financial planning		
Investment management services		
Commercial banking and related products		

* Additional cost to client for this service may apply.

As part of creating the trusted business partnership, we ask that you agree to:

- Assign specific representative(s) through whom Associated Benefits and Risk Consulting can conduct agency functions
- Promptly review all material submitted for review and indicate “approval” or “preferred changes”
- Be up front with Associated Benefits and Risk Consulting employees concerning any problems or concerns to promote a lasting relationship
- Make available to Associated Benefits and Risk Consulting all data and information necessary to develop factual complete reports comparisons, and recommendations
- Assist Associated Benefits and Risk Consulting with the scheduling of employee meetings

While many of Associated Benefits and Risk Consulting’s services are provided to our clients as value-added services, some services may have additional fees that apply (denoted by the *). However, we will notify you about these services and the costs associated with them before you incur any additional obligations.

This Client Service Plan will be reviewed on an annual basis to ensure both parties’ expectations are being met and any necessary revisions are made accordingly. The parties below acknowledge we discussed this plan and future plans by signing below.

City of Manitowoc _____

Plan year: January 1 2017 – December 31, 2017

Date: _____ By: _____

CITY OF MANITOWOC

Date: _____ By: _____

ASSOCIATED BENEFITS AND RISK CONSULTING



Insurance products and securities products:

ARE NOT FDIC INSURED	ARE NOT BANK GUARANTEED	MAY LOSE VALUE	ARE NOT DEPOSITS	ARE NOT INSURED BY ANY STATE OR GOVERNMENT AGENCY	ARE NOT A CONDITION TO ANY BANKING SERVICE OR ACTIVITY
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Insurance products are offered by licensed agents of Associated Financial Group, LLC, d/b/a ABRC Insurance Solutions (“ABRC”). Associated Benefits and Risk Consulting is a marketing name used by ABRC. Securities and advisory services provided by representatives of ABRC are offered by LPL Financial, member FINRA and SIPC. Investment management, fiduciary, and administrative and planning services are provided by Associated Trust Company, N.A. (“ATC”). Investment management services are also provided to ATC by Kellogg Asset Management, LLC (“KAM”), an SEC-registered investment advisor. Advisory services may not be available in all locations. ABRC, ATC, and KAM are all wholly-owned subsidiaries of Associated Bank, N.A. (“AB”). AB is a wholly-owned subsidiary of Associated Banc-Corp (“AB-C”). LPL is NOT an affiliate of AB-C. AB-C and its subsidiaries do not provide tax, legal or accounting advice. Please consult with your tax, legal or accounting advisors regarding your individual situation.

ABRC and/or its affiliates offer a variety of products and services, some of which are mentioned in this document. Such products and services are subject to applicable underlying agreements for such products and services. These disclosures are intended to supplement underlying product and service agreements and such underlying product and service agreements control in cases of conflicting provisions.

Not all products and services may be available in all geographic regions, and the terms and fees of such products and services may vary by geographic region. Product information is subject to change without notice. Your eligibility for products and services is subject to review and acceptance by ABRC and/or its affiliates.

Deposit and loan products are offered by Associated Bank, N.A. Associated Bank, N.A. is a Member FDIC and Associated Banc Corp. Loans are subject to credit approval and involve interest and other costs. Please ask about details. Equal Housing Lender. Equal Opportunity Lender.

