

CONTRACT #10
RFS # 317.86-00008
FA # 06-16585

Finance & Administration
Benefits Administration

VENDOR:
Union Security Insurance
Company (Assurant)



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
BENEFITS ADMINISTRATION
312 Eighth Avenue North
Suite 2600 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243
Phone (615) 741-3590 or (800) 253-9981
FAX (615) 253-8556

Dave Goetz
COMMISSIONER

Laurie Lee
EXECUTIVE DIRECTOR

RECEIVED

JUN 11 2009

FISCAL REVIEW

MEMORANDUM

To: James White, Executive Director, Fiscal Review Committee

From: John Anderson, Director of Public Sector Plans, Benefits Administration

Date: June 11, 2009

RE: Amendment to extend Union Security Insurance Company contract and adds contractor responsibilities for Eligible Retirees

Attached is a Non-Competitive Amendment request to add language to the existing contract with Union Security Insurance Company containing the signature of Commissioner M. D. Goetz, Jr. The base contract is included as are amendments one and two. The current amendment # 3 extends the contract with Union Security Insurance Company – the insurer of the Optional Prepaid Dental Insurance Plan, for an additional year (January 1, 2010 through December 31, 2010) with no increase in premiums for active employees. Also, the amendment is necessary in order to provide for a separate Optional Prepaid Dental Plan for eligible retirees and their dependents. The expansion of coverage to retirees is in response to the recently enacted Public Chapter No. 258 that takes effect January 1, 2010. The optional retiree plan is a separate benefit plan from the plan for active employees and has separate premiums for participating retirees.

This amendment extends the term of the contract under the second of two possible one year extensions included in the terms of the original contract. The maximum liability is increased to accommodate the term extension, but the premium fees for active employees remain constant into this fifth year.

Thank you for your consideration of this request.

Supplemental Documentation Required for Fiscal Review Committee

*Contact Name:	Marlene Alvarez	*Contact Phone:	615.253.8358		
*Contract Number:	FA-06-16585-02 Edison ID # 3628	*RFS Number:	31786 - 00008 (previously 317.86-034)		
*Original Contract Begin Date:	January 1, 2006	*Current End Date:	December 31, 2009		
Current Request Amendment Number: (if applicable)		3			
Proposed Amendment Effective Date: (if applicable)		September 1, 2009			
*Department Submitting:		Finance & Administration			
*Division:		Benefits Administration			
*Date Submitted:		June 11, 2009			
*Submitted Within Sixty (60) days:		Yes			
<i>If not, explain:</i>					
*Contract Vendor Name:		Union Security Insurance Company (Assurant)			
*Current Maximum Liability:		\$16,000,000			
*Current Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2006	FY: 2007	FY: 2008	FY: 2009	FY: 2010	FY:
\$13,500,000	\$600,000	\$600,000	\$300,000	\$1,000,000	N/A
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from STARS or FDAS report)					
FY: 2006	FY: 2007	FY: 2008	FY: 2009	FY: 2010	FY:
\$1,995,841.31	\$3,904,892.05	\$3,753,768.85	\$3,330,695.19	N/A	N/A
<u>IF</u> Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:			This is a pass through fund for this fully insured insurance plan. The State collects the premiums from employees' paychecks or from participating employers and provides payment to the Contractor each month. Fiscal year maximum liability estimate is based on estimates of annual plan membership for the term of the contract. Actual membership may vary from the original estimates during the term of the Contract, and therefore premium payments to the Contractor may vary.		
<u>IF</u> surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:			There are no surplus funds since this is a pass through fund and premiums collected by Benefits Administration are provided to the vendor.		
<u>IF</u> Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:			N/A		
*Contract Funding Source/Amount:	State:	N/A	Federal:	N/A	

Supplemental Documentation Required for
Fiscal Review Committee

Interdepartmental:	\$16,000,000	<i>Other:</i>	N/A
If "other" please define:			
Dates of All Previous Amendments or Revisions: (if applicable)		Brief Description of Actions in Previous Amendments or Revisions: (if applicable)	
October, 2008 – Amendment # 2		Added Edison responsibilities and extended term to 12/31/09.	
May, 2007 – Amendment #1		Revised contact information & transitioned reporting responsibilities from Tennessee Insurance System (TIS) to Edison.	
Method of Original Award: (if applicable)		RFP	
Include a detailed breakdown of the actual expenditures anticipated in each year of the contract. Include specific line items, source of funding, and disposition of any excess fund. (if applicable)		See attached – "Union Security Insurance Company AKA Assurant Payments Since Inception as of June 1, 2009."	
Include a detailed breakdown, in dollars, of any savings that the department anticipates will result from this contract. Include, at a minimum, reduction in positions, reduction in equipment costs, reduction in travel. (if applicable)		No specific dollar amount of savings is anticipated as a result from this contract amendment. However, the contractor has agreed waive an adjustment in their current monthly premium rate therefore allowing the State to benefit from the same rate for the full five (5) years of the contract and adds a dental plan for retirees at a higher premium rate per participant.	
Include a detailed analysis, in dollars, of the cost of obtaining this service through the proposed contract as compared to other options. (if applicable)		See attached – "Enrollment Projections for Maximum Liability for Union Security Insurance Company (Assurant)."	

Union Security Insurance Co. AKA Assurant
Payments since inception as of June 1, 2009

Fiscal Year	Total Payments
2006	1,995,841.31
2007	3,904,892.05
2008	3,753,768.85
2009	3,330,695.19
Total	12,985,197.40

Enrollment Projections for Maximum Liability for Union Security Insurance Company
(Assurant)

	STATE		LOCAL EDUCATION		LOCAL GOV'T		TOTAL		
	Contracts	Amount	Contracts	Amount	Contracts	Amount	Contracts	Amount	
January-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
February-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
March-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
April-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
May-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
June-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
July-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
August-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
September-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
October-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
November-09 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
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MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
Annual Totals		\$	3,437,304	\$	278,598	\$	136,278	\$	3,852,180
January-10 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
1DEP	\$15.78	5,400	\$ 85,212	425	\$ 6,707	175	\$ 2,762	6,000	\$94,680.00
MULT	\$21.70	5,500	\$ 119,350	525	\$ 11,393	150	\$ 3,255	6,175	\$133,997.50
Empl	\$12.07	4,500	\$ 54,315	1,000	\$ 12,070	1000	\$ 12,070	6,500	\$78,455.00
Eply+1	\$19.53	1,500	\$ 29,295	500	\$ 9,765	500	\$ 9,765	2,500	\$48,825.00
Emp+Fam	\$29.91	334	\$ 9,990	333	\$ 9,960	333	\$ 9,960	1,000	\$29,910.00
February-10 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
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Emp+Fam	\$29.91	334	\$ 9,990	333	\$ 9,960	333	\$ 9,960	1,000	\$29,910.00
April-10 SNGL	\$8.90	9,200	\$ 81,880	575	\$ 5,118	600	\$ 5,340	10,375	\$92,337.50
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Eply+1	\$19.53	1,500	\$ 29,295	500	\$ 9,765	500	\$ 9,765	2,500	\$48,825.00
Emp+Fam	\$29.91	334	\$ 9,990	333	\$ 9,960	333	\$ 9,960	1,000	\$29,910.00

Enrollment Projections for Maximum Liability for Union Security Insurance Company
(Assurant)

	STATE		LOCAL EDUCATION		LOCAL GOV'T		TOTAL		
	Contracts	Amount	Contracts	Amount	Contracts	Amount	Contracts	Amount	
May-10 SNGL	\$8.90	9,200 \$	81,880	575 \$	5,118	600 \$	5,340	10,375	\$92,337.50
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Emp+Fam	\$29.91	334 \$	9,990	333 \$	9,960	333 \$	9,960	1,000	\$29,910.00
June-10 SNGL	\$8.90	9,200 \$	81,880	575 \$	5,118	600 \$	5,340	10,375	\$92,337.50
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Eply+1	\$19.53	1,500 \$	29,295	500 \$	9,765	500 \$	9,765	2,500	\$48,825.00
Emp+Fam	\$29.91	334 \$	9,990	333 \$	9,960	333 \$	9,960	1,000	\$29,910.00
Annual Totals		\$	4,560,503	\$	660,138	\$	517,818	\$	5,738,460

NON-COMPETITIVE AMENDMENT REQUEST:

APPROVED

Commissioner of Finance & Administration

1) RFS #	was 317.86-034, now is 31786-00002	
2) Procuring Agency :	Finance & Administration	
EXISTING CONTRACT INFORMATION		
3) Service Caption :	Prepaid dental insurance coverage.	
4) Contractor :	Union Security Insurance Company	
5) Contract #	previously was FA-06-16585-00, Edison K ID # 3628	
6) Contract Start Date :	January 1, 2006	
7) CURRENT Contract End Date : (if ALL options to extend the contract are exercised)	December 31, 2009	
8) CURRENT Maximum Cost : (if ALL options to extend the contract are exercised)	\$16,000,000	
PROPOSED AMENDMENT INFORMATION		
9) Amendment #	# 3	
10) Amendment Effective Date : (attached explanation required if < 60 days after F&A receipt)	September 1, 2009	
11) PROPOSED Contract End Date : (if ALL options to extend the contract are exercised)	December 31, 2010	
12) PROPOSED Maximum Cost : (if ALL options to extend the contract are exercised)	\$20,500,700	
13) Approval Criteria : (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state	
	<input type="checkbox"/> only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :		
<p>This amendment, to extend the contract with Union Security Insurance Company – the insurer of the Optional Prepaid Dental Insurance Plan, provides for an additional year (January 1, 2010 through December 31, 2010) with no increase in premiums for active employees. Also, the amendment is necessary in order to provide for a separate Optional Prepaid Dental Plan for eligible retirees and their dependents. The expansion of coverage to retirees is in response to the recently enacted Public Chapter No. 258 that takes effect January 1, 2010. The optional retiree plan is a separate benefit plan from the plan for active employees and has separate premiums for participating retirees.</p>		
15) Explanation of Need for the Proposed Amendment :		
<p>The proposed amendment is necessary in order to continue to offer an Optional Prepaid Dental Plan during calendar 2010 to State, Local Education and Local Government employees with no additional premium increase. The amendment is also necessary in order to</p>		

add the additional Optional Prepaid Dental Plan for retirees in response to the newly enacted Chapter No. 258 that takes effect on January 1, 2010.

16) Name & Address of Contractor's Current Principal Owner(s) : (not required for a TN state education institution)

Union Security Insurance Company, 8130 Baymeadows Way West, Suite 302, Jacksonville, FL 32256

17) Office for Information Resources Endorsement : (required for information technology service; n/a to THDA)

Documentation is ... Not Applicable to this Request Attached to this Request

18) eHealth Initiative Endorsement : (required for health-related professional, pharmaceutical, laboratory, or imaging service)

Documentation is ... Not Applicable to this Request Attached to this Request

19) Department of Human Resources Endorsement : (required for state employees training service)

Documentation is ... Not Applicable to this Request Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

There is not a need to procure another vendor, rather the State is seeking through this amendment to exercise the option to extend the term for one year based on language included in Section B.2. of the original contract. Original contract was secured through a competitive procurement, and the amendment will maintain the present premiums for the active employees Dental Plan and add a separate Optional Prepaid Dental Plan for eligible retirees that is consistent with the newly enacted Public Chapter No. 258 that takes effect on January 1, 2010.

21) Justification for the Proposed Non-Competitive Amendment :

The contract with Union Security Insurance Company, provider of the Optional Prepaid Dental Plan, was secured through a competitive procurement, and the option to extend the term for one year is provided for under Section B.2. of the original contract. The extension of the contract, with no premium increase for active employees, and the addition of the new retiree dental plan is in the best interest of the active employee plan members, eligible retirees, and the State.

AGENCY HEAD SIGNATURE & DATE :

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)

SIGNATURE & DATE

 6/2/09



C O N T R A C T A M E N D M E N T

Agency Tracking # <p style="text-align: center; font-weight: bold;">31786-00002</p>	Edison ID <p style="text-align: center;">3628 (formerly FA-06-16585-00)</p>	Amendment # <p style="text-align: center; font-size: 2em;">3</p>
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Contractor Union Security Insurance Company	Contractor Federal Employer Identification or Social Security # <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 81-0170040
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RECEIVED

JUN 11 2009

Amendment Purpose/ Effects
 Prepaid dental insurance coverage, amendment extends term to 12/31/2010.

FISCAL REVIEW

Contract Begin Date January 1, 2006	Contract End Date December 31, 2010	Subrecipient or Vendor <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	CFDA #(s)
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FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2006			\$13,500,000.00		\$13,500,000.00
2007			\$600,000.00		\$600,000.00
2008			\$600,000.00		\$600,000.00
2009			\$300,000.00		\$300,000.00
2010			\$3,250,350.00		\$3,250,350.00
2011			\$2,250,350.00		\$2,250,350.00
TOTAL:			\$20,500,700.00		\$20,500,700.00

— COMPLETE FOR AMENDMENTS —			Marlene Alvarez – Procurement & Contracting Manager 312 Rosa L Parks Avenue, Suite 2600 Nashville, Tennessee 37243 615.253.8358			
END DATE AMENDED? <input type="checkbox"/> YES <input type="checkbox"/> NO						
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	Agency Budget Officer Approval (there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred)			
2006	\$13,500,000.00					
2007	\$600,000.00					
2008	\$600,000.00					
2009	\$300,000.00					
2010	\$1,000,000.00	\$2,250,350.00				
2011		\$2,250,350.00	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">Speed Code IA00000094, IA00000095 & IA00000096</td> <td style="width: 50%; padding: 5px;">Account Code 79007000</td> </tr> </table>		Speed Code IA00000094, IA00000095 & IA00000096	Account Code 79007000
Speed Code IA00000094, IA00000095 & IA00000096	Account Code 79007000					
TOTAL:	\$16,000,000.00	\$4,500,700.00				

<p style="text-align: center;">— OCR USE —</p>	Procurement Process Summary (non-competitive, FA- or ED-type only)
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**AMENDMENT THREE
TO CONTRACT ID NUMBER 3628/FA-06-16585-00**

This Contract Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and Local Government Insurance Committee, hereinafter referred to as the "State" and Union Security Insurance Company, hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

1. The text of Contract Section A.1 is deleted in its entirety and replaced with the following:

A.1. SERVICES PROVIDED BY THE CONTRACTOR

The Contractor agrees to provide a Prepaid Dental Plan option to active employees and survivors of the State of Tennessee, Local Education Agencies and Local Government Agencies, and their eligible dependents (hereafter referred to as "participants" or "members"), who elect to participate in the Prepaid Dental Plan. This option will be delivered in accordance with the clarifications of Request for Proposals (RFP) 317.86-034 (attached hereto by reference); RFP 317.86-034 (attached hereto); the Contractor's Technical proposal in response to RFP 317.86-034 (attached hereto), the Contractor's Cost Proposal in response to RFP 317.86-034 (attached hereto) and this agreement (collectively referred to as the "Contract").

The Contractor agrees to provide effective January 1, 2010 a separate Retiree Prepaid Dental Plan option to eligible retirees and their eligible dependents of the State of Tennessee, Local Education Agencies and Local Government Agencies (herein after referred to as "participants" or "members") who elect to participate in the Retiree Prepaid Dental Plan option as describe in Contract Attachment F. An eligible retiree is a former employee who has retired from the State, a Local Education agency or a Local Government agency and receives a benefit from the Tennessee Consolidated Retirement System, or an optional retirement plan.

Specifically, the Prepaid Dental Organization Plan shall consist of the following components:

2. The text of Contract Section A.1.2.1. is deleted in its entirety and replaced with the following:
 - A.1.2.1. The Contractor shall administer the Optional Prepaid Dental Plan for active employees and their dependents based on the State's eligibility requirements and in accordance with the Group Contract/Certificate for Prepaid Dental Benefits and Member Procedure Code Co-payment Schedules for Participating General Dentists and Specialists (Contract Attachment C). The Contractor shall also administer the Optional Prepaid Dental Plan for eligible retirees and their dependents based on the State's eligibility requirements and in accordance with the Retiree Prepaid Dental Plan Option (Contract Attachment F). See also Contract Section C. 4.
3. The text of Contract Section A.1.2.3. is deleted in its entirety and replaced with the following:
 - A.1.2.3. The Contractor may charge the active employee plan members a co-pay no greater than \$10.00 for an Office Visit – during regularly scheduled hours, and \$20.00 for a missed appointment where the member or their representative did not provide notice of cancellation 24 hours before the scheduled appointment, and the Contractor may charge the retiree plan members a co-pay no greater than \$10.00 for an Office Visit – during regularly scheduled hours, and \$25.00 for a missed appointment where the member or their representative did not provide notice of cancellation 24 hours before the scheduled appointment.

4. The text of Contract Section B.1 is deleted in its entirety and replaced with the following:

B.1. Contract Term. This Contract shall be effective for the period commencing on January 1, 2006 and ending on December 31, 2010. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

5. The text of Contract Section C.1 is deleted in its entirety and replaced with the following:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Twenty Million Five Hundred Thousand Seven Hundred Dollars (\$20,500,700.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

6. The text of Contract Section C.3 is deleted in its entirety and replaced with the following:

C.3. Payment Methodology. The Contractor shall be compensated based on the Premiums herein for monthly service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of monthly service defined in Section A. The Contractor shall be compensated based upon the following monthly premiums:

Coverage Option	Proposer's Guaranteed Monthly Premiums For Active Employee Plan				
	Calendar Year 2006	Calendar Year 2007	Calendar Year 2008	Calendar Year 2009	Calendar Year 2010
Employee	\$8.90	\$8.90	\$8.90	\$8.90	\$8.90
Employee + One	15.78	15.78	15.78	15.78	15.78
Employee + Family	21.70	21.70	21.70	21.70	21.70

Coverage Option	Proposer's Guaranteed Monthly Premiums For Retiree Plan
	Calendar Year 2010
Employee	\$12.07
Employee + One	19.53
Employee + Family	29.91

The Contractor shall submit monthly invoices, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed monthly service for the amount stipulated.

- C.3.1. Payment under Term Extension. If this Contract is extended per Section B.2, any increase in payment to the Contractor under Section C.3, Payment Methodology, shall be no greater than the percentage increase from year two (2007) to year three (2008), for each additional contract year.
7. The text of Contract Section C.4. is deleted in its entirety and replaced with the following:
- C.4. Member Cost Amounts. The Contractor is responsible for maintaining the plan Member Cost Amounts contained in Contract Attachment C and Attachment F during the term of this Contract. See also Contract Section A.1.2.1.
8. Contract Attachment C is deleted in its entirety and replaced with the new Contract Attachment C attached hereto.
9. Contract Attachment F attached hereto is added as a new Contract Attachment.

The revisions set forth herein shall be effective September 1, 2009. All other terms and conditions not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF:

UNION SECURITY INSURANCE COMPANY:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

**STATE OF TENNESSEE,
STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE,
LOCAL GOVERNMENT INSURANCE COMMITTEE:**

M.D. GOETZ, JR., CHAIRMAN

DATE

APPROVED:

**M. D. GOETZ, JR., COMMISSIONER
DEPARTMENT OF FINANCE AND ADMINISTRATION**

DATE

JOHN G. MORGAN, COMPTROLLER OF THE TREASURY

DATE

Contract Attachment C
Member Procedure Code Co-payment Schedules for Participating General Dentists and Specialists
(Reference Contract Sections A.1.2.1 and C.4.)

Code	Procedure description	2006		2007		2008-2010	
		Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
120	Periodic oral evaluation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
140	Limited oral evaluation-problem focused	\$20.00	\$30.00	\$20.00	\$30.00	\$20.00	\$30.00
150	Comprehensive oral evaluation - new or established patient	\$0.00	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00
210	Intraoral-complete series including bitewings	\$0.00	\$5.00	\$0.00	\$5.00	\$0.00	\$5.00
220	Intraoral-periapical-first film	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
230	Intraoral-periapical-each additional film	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
240	Intraoral-occlusal film	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
250	Extraoral-first film	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
270	Bitewings-single film	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
272	Bitewings-two films	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
274	Bitewings-four films	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
330	Panoramic film	\$0.00	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00
340	Cephalometric film	\$0.00	\$45.00	\$0.00	\$45.00	\$0.00	\$45.00
350	Oral/facial photographic images	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
460	Pulp vitality tests	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
470	Diagnostic casts	\$0.00	\$10.00	\$0.00	\$10.00	\$0.00	\$10.00
1110	Prophylaxis-adult	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1120	Prophylaxis-child	\$0.00	\$15.00	\$0.00	\$15.00	\$0.00	\$15.00
1201	Topical application of fluoride incld/pxs child	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1203	Topical applic fluoride pxs not incl-child	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1204	Topical applic fluoride pxs not incl-adult						
1205	Topical application of fluoride incld/pxs adult						
1330	Oral hygiene instructions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1351	Sealant-per tooth	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
1510	Space maintainer-fixed-unilateral	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
2140	Amalgam- one surface, primary or permanent	\$0.00	\$5.00	\$0.00	\$5.00	\$0.00	\$5.00
2150	Amalgam-two surfaces, primary or permanent	\$8.00	\$10.00	\$8.00	\$10.00	\$8.00	\$10.00
2160	Amalgam-three surfaces, primary or permanent	\$18.00	\$20.00	\$18.00	\$20.00	\$18.00	\$20.00

2161	Amalgam-four or more surfaces, primary permanent	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00
		2006		2007		2008-2010	
Code	Procedure description	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
2330	Resin-one surface, anterior	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
2331	Resin-two surfaces, anterior	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
2332	Resin-three surfaces, anterior	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
2335	Resin-four+ surf or invl incisal angle(anterior)	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
2391	Resin-based composit-one surface, posterior	\$55.00	\$60.00	\$55.00	\$60.00	\$55.00	\$60.00
2392	Resin-based composit-two surface, posterior	\$70.00	\$75.00	\$70.00	\$75.00	\$70.00	\$75.00
2393	Resin-based composit-three surface, posterior	\$90.00	\$95.00	\$90.00	\$95.00	\$90.00	\$95.00
2394	Resin-based composit-four or more surface, posterior	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00
2530	Inlay-metallic-three or more surfaces	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00
2740	Crown-porcelain/ceramic substrate	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2750	Crown-porcelain fused to high noble metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2751	Crown-porc fused to predominantly base metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2752	Crown-porcelain fused to noble metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2790	Crown-full cast high noble metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2791	Crown-full cast predominantly base metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2792	Crown-full cast noble metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2799	Provisional crown	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2910	Recement inlay	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2920	Recement crown	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2930	Prefabricated stainless steel crown-primary	\$65.00	\$80.00	\$65.00	\$80.00	\$65.00	\$80.00
2931	Prefabricated stainless steel crown-permanent	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
2940	Sedative filling	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
2950	Core build-up, including any pins	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
2951	Pin retention/tooth, in addition to restoration	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
2952	Cast post and core in addition to crown	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
2954	Prefabricated post and core in addition to crown	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
2960	Labial veneer (laminate)-chairside	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
2962	Labial veneer (porcelain laminate)-laboratory	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
3110	Pulp cap-direct (excluding final restoration)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3120	Pulp cap-indirect (excluding final restoration)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

3220	Therapeutic pulpotomy (excluding final rest)	\$20.00	\$40.00	\$20.00	\$40.00	\$20.00	\$40.00
		2006		2007		2008-2010	
Code	Procedure Description	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
3310	Root canal-anterior(excluding final restoration)	\$125.00	\$300.00	\$125.00	\$300.00	\$125.00	\$300.00
3320	Root Canal-Bicuspid(Excluding Final Restoration)	\$200.00	\$425.00	\$200.00	\$425.00	\$200.00	\$425.00
3350	Root Canal-Molar (Excluding Final Restoration)	\$250.00	\$600.00	\$250.00	\$600.00	\$250.00	\$600.00
3410	Apicoectomy/Periradicular Surgery- Anterior	\$50.00	\$75.00	\$50.00	\$75.00	\$50.00	\$75.00
4210	Gingivectomy Or Gingivoplasty-Per Quadrant	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
4211	Gingivectomy Or Gingivoplasty-Per Tooth	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
4240	Gingival Flap Procedure Including Root Planing Per Quadrant	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00
4241	Gingival Flap Procedure Including Root Planing Per Tooth	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
4260	Osseous Surgery Inc Flap Entry/Closure/Quad	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
4271	Free Soft Tiss Graft Proc(Incl Donor Site Surg)	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
4341	Perio Scaling And Root Planing-Per Quadrant	\$60.00	\$100.00	\$60.00	\$100.00	\$60.00	\$100.00
4910	Perio Maintenance Proc Following Active Therapy	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
5110	Complete Denture-Maxillary	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00
5120	Complete Denture-Mandibular	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00
5130	Immediate Denture-Maxillary	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00
5140	Immediate Denture-Mandibular	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00
5211	Maxillary Part Denture-Resin Base(Clasp/Rests)	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00
5213	Maxillary Part Denture-Metal Frame W/Resin Base	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
5214	Mandibular Part Denture-Metal Frame W/Resin Base	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
5510	Repair Broken Complete Denture Base	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
5520	Replace Miss/Brkn Teeth-Complete Denture/Tooth	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
5610	Repair Resin Denture Base	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5630	Repair Or Replace Broken Clasp, Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5640	Replace Broken Teeth-Per Tooth, Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5650	Add Tooth To Existing Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5660	Add Clasp To Existing Partial Denture	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
5750	Reline Complete Maxillary Denture (Laboratory)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
6240	Pontic-Porcelain Fused To High Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6241	Pontic-Porcelain Fused To Predom. Base Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6242	Pontic-Porcelain Fused To Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00

6750 Crown-Retainer-Porcelain Fused High Noble Metal		\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
		2006		2007		2008-2010	
Code	Procedure Description	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
6751	Crown-Retainer-Porcelain Fused Pred. Base Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6752	Crown-Retainer-Porcelain Fused To Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6930	Recement Fixed Partial Denture	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
7140	Extraction, Erupted Tooth/Exposed Root-Elevation/Forceps	\$15.00	\$70.00	\$15.00	\$70.00	\$15.00	\$70.00
7210	Surg Rem Erup Tooth Req Flap/Bone Rem/Sec Tooth	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
7220	Removal Of Impacted Tooth-Soft Tissue	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
7230	Removal Of Impacted Tooth-Partial Bony	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
7240	Removal Of Impacted Tooth-Complete Bony	\$100.00	\$120.00	\$100.00	\$120.00	\$100.00	\$120.00
7241	Rem Impac. Tooth-Comp Bony/Unusual Complications	\$125.00	\$140.00	\$125.00	\$140.00	\$125.00	\$140.00
7250	Surg Rem Of Residual Tooth Roots (Cutting Proc)	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
7310	Alveoloplasty In Conjunction With Exts-Per Quad	\$40.00	\$60.00	\$40.00	\$60.00	\$40.00	\$60.00
7510	I & D Abscess Intraoral-Soft Tissue	\$25.00	\$35.00	\$25.00	\$35.00	\$25.00	\$35.00
7960	Frenulectomy (Frenectomy/Frenotomy) Sep. Proc.	\$50.00	\$60.00	\$50.00	\$60.00	\$50.00	\$60.00
9110	Palliative (Er) Tx-Dental Pain-Minor Procedure	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
9210	Local Anesthesia Not In Conjunction W/Operative	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9215	Local Anesthesia	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9220	General Anesthesia-First 30 Minutes	\$0.00	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00
9230	Analgesia,Anxiolysis, Inhalation Nitrous Oxide	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
9241	Intravenous Conscious Sedation-First 30 Minutes	\$0.00	\$30.00	\$0.00	\$30.00	\$0.00	\$30.00
9242	Intravenous Conscious Sedation-First Each 15 Minutes	\$0.00	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00
9310	Prof Consult (Diag Serv By Other Dentist/Phys)	\$25.00	\$45.00	\$25.00	\$45.00	\$25.00	\$45.00
9430	Office Visit For Observation (Regular Hours)	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
9440	Office Visit -After Regularly Scheduled Hours	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
9910	Application-Desensitizing Medicament	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
9951	Occlusion Adjustment-Limited	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
9952	Occlusion Adjustment-Complete	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
9972	External Bleaching - Per Arch	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
9973	External Bleaching - Per Tooth	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
1550	Recementation Of Space Maintainer	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
5410	Adjust Complete Denture-Maxillary	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

5730 Reline Complete Maxillary Denture (Chairside)		\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
		2006		2007		2008-2010	
Code	Procedure Description	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
5751	Reline Complete Mandibular Denture (Lab)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
6790	Crown-Retainer-Full Cast High Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
6791	Crown-Retainer-Full Cast Predom. Base Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
9221	General Anesthesia-Each Additional 15 Minutes	\$168.00	\$168.00	\$168.00	\$168.00	\$168.00	\$168.00
5212	Mandibular Part Denture-Resin Base(Clasp/Rests)	\$295.00	\$295.00	\$295.00	\$295.00	\$295.00	\$295.00
5411	Adjust Complete Denture-Mandibular	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5620	Repair Cast Framework, Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5741	Reline Mandibular Partial Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
5760	Reline Maxillary Partial Denture (Laboratory)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
5761	Reline Mandibular Partial Denture (Laboratory)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
1515	Space Maintainer-Fixed-Bilateral	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
2520	Inlay-Metallic-Two Surfaces	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
6210	Pontic-Cast High Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
6792	Crown-Retainer-Full Cast Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
5720	Rebase Maxillary Partial Denture	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5721	Rebase Mandibular Partial Denture	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5740	Reline Maxillary Partial Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
6211	Pontic-Cast Predominantly Base Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
1520	Space Maintainer-Removable-Unilateral	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00
1525	Space Maintainer-Removable-Bilateral	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00
2510	Inlay-Metallic-One Surface	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
5421	Adjust Partial Denture-Maxillary	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5422	Adjust Partial Denture-Mandibular	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5710	Rebase Complete Maxillary Denture	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
5711	Rebase Complete Mandibular Denture	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5731	Reline Complete Mandibular Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
6212	Pontic-Cast Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00

Contract Attachment F**RETIREE PREPAID DENTAL PLAN OPTION**

Union Security Insurance Company
2323 Grand Boulevard
Kansas City, MO 64108-2670
800.443.2995

SECURE PLAN WITH SPECIALTY BENEFIT COPAYMENT SCHEDULE

SECTION I: PLAN DENTIST SERVICES**(Subject to Limitations and Exclusions Listed in Evidence of Coverage)**

Plan Benefits are provided for the dental services listed in this **Plan Dentist Services** Section of the Copayment Schedule only when services are provided by Member's selected Plan Dentist. Limited benefits for Emergency Services from other Plan Dentists are provided as specifically stated in the **EMERGENCY SERVICES** Article of the Evidence of Coverage. Plan Benefits are not available for dental services that do not appear on the Copayment Schedule. To fully understand the benefits, exclusions and limitations of this plan, Member should consult the Evidence of Coverage.

Member is responsible for paying the amount listed in the **Member Copayment** column, plus any additional laboratory ("lab") fees for certain dental services. Payment may be due at the time the service is received or in accordance with Plan Dentist's billing procedures. Lab fees may apply to services with an asterisk (*). For such a service, the lab fee is that Plan Dentist's normal retail lab fee for that service.

The most current dental terminology may not be reflected in the Copayment Schedule. However, Plan Benefits will be based on the most current dental terminology. Company reserves the right to update the Copayment Schedule to reflect the most current dental terminology, with at least thirty (30) days written notice to Group.

The Plan Dentist selected by Member may not perform all listed services. To fully understand payment responsibility for dental services, Member should discuss availability of services, the proposed treatment, and cost with selected Plan Dentist prior to treatment. Availability of any specific general dentist as a Plan Dentist is not guaranteed.

Payment for all services received from a Non-Plan Dentist (at the Non-Plan Dentist's entire normal retail charge) is the responsibility of Member, except for limited benefits for Emergency Services as specifically stated in the EMERGENCY SERVICES Article of the Evidence of Coverage.

ADA Code**	Service Description**	Member Copayment
	Appointments	
None	Office visit - during regularly scheduled hours***	10.00
D0120	Periodic oral evaluation	No Charge
	(once in any 6 calendar months)	
D0140	Limited oral evaluation - problem focused.....	25.00
D0150	Comprehensive oral evaluation - new or established patient.....	No Charge
	(once in any 6 calendar months)	

ADA Code**	Service Description**	Member Copayment
D0160	Detailed and extensive oral evaluation - problem focused, by report	20.00
D0170	Re-evaluation - limited, problem focused (established patient; not post-operative visit)	20.00
D0180	Comprehensive periodontal evaluation - new or established patient	20.00
None	Missed appointment without 24 hour notice***	25.00
D9310	Consultation (diagnostic service provided by dentist or physician other than practitioner providing treatment)	80.00
D9440	Office visit - after regularly scheduled hours	40.00
Diagnostic Dentistry		
D0210	Intraoral - complete series (including bitewings) (once in any 3 calendar years)	10.00
D0220	Intraoral - periapical first film	No Charge
D0230	Intraoral - periapical each additional film	No Charge
D0240	Intraoral - occlusal film	No Charge
D0250	Extraoral - first film	No Charge
D0260	Extraoral - each additional film	No Charge
D0270	Bitewing - single film	No Charge
D0272	Bitewings - two films (once in any 6 calendar months)	No Charge
D0274	Bitewings - four films (once in any 6 calendar months)	No Charge
D0277	Vertical bitewings - 7 to 8 films	No Charge
D0330	Panoramic film (once in any 3 calendar years)	10.00
D0415	Collection of microorganisms for culture and sensitivity	No Charge
D0425	Caries susceptibility tests	No Charge
D0460	Pulp vitality tests	No Charge
Preventive Dentistry		
D1110	Prophylaxis - adult (once in any 6 calendar months)	10.00
D1120	Prophylaxis - child (once in any 6 calendar months)	10.00
D1203	Topical application of fluorides (prophylaxis not included) - child	No Charge
D1310	Nutritional counseling for control of dental disease	No Charge
D1330	Oral hygiene instructions	No Charge
D1351	Sealant - per tooth	20.00
D1510	Space maintainer - fixed - unilateral*	85.00
D1515	Space maintainer - fixed - bilateral*	85.00
D1520	Space maintainer - removable - unilateral*	110.00
D1525	Space maintainer - removable - bilateral*	135.00
D1550	Re-cementation of space maintainer	25.00
None	Additional prophylaxis (D1110 or D1120 service does not apply to patients with periodontal disease)***	35.00
Restorative Dentistry		
D2140	Amalgam - one surface, primary or permanent	25.00
D2150	Amalgam - two surfaces, primary or permanent	30.00
D2160	Amalgam - three surfaces, primary or permanent	45.00
D2161	Amalgam - four or more surfaces, primary or permanent	55.00
D2330	Resin-based composite - one surface, anterior	50.00
D2331	Resin-based composite - two surfaces, anterior	65.00
D2332	Resin-based composite - three surfaces, anterior	80.00
D2335	Resin-based composite - four or more surfaces or involving incisal angle (anterior)	110.00
D2391	Resin-based composite - one surface, posterior	85.00
D2392	Resin-based composite - two surfaces, posterior	100.00

ADA Code**	Service Description**	Member Copayment
D2393	Resin-based composite - three surfaces, posterior.....	105.00
D2394	Resin-based composite - four or more surfaces, posterior	130.00
D2510	Inlay - metallic - one surface*	245.00
D2520	Inlay - metallic - two surfaces*	275.00
D2530	Inlay - metallic - three or more surfaces*	315.00
D2542	Onlay - metallic - two surfaces*	305.00
D2543	Onlay - metallic - three surfaces*	325.00
D2544	Onlay - metallic - four or more surfaces*	340.00
D2610	Inlay - porcelain/ceramic one surface*	280.00
D2620	Inlay - porcelain/ceramic two surfaces*	310.00
D2630	Inlay - porcelain/ceramic three or more surfaces*	330.00
D2740	Crown - porcelain/ceramic substrate*	295.00
D2750	Crown - porcelain fused to high noble metal*	295.00
D2751	Crown - porcelain fused to predominantly base metal*	295.00
D2752	Crown - porcelain fused to noble metal*	295.00
D2790	Crown - full cast high noble metal*	295.00
D2791	Crown - full cast predominantly base metal*	295.00
D2792	Crown - full cast noble metal*	295.00
D2910	Recement inlay, onlay, or partial coverage restoration	30.00
D2920	Recement crown	30.00
D2930	Prefabricated stainless steel crown - primary tooth.....	105.00
D2940	Sedative filling	35.00
D2950	Core buildup, including any pins	55.00
D2951	Pin retention - per tooth, in addition to restoration	25.00
D2952	Cast post and core in addition to crown*	135.00
D2954	Prefabricated post and core in addition to crown	105.00
D2962	Labial veneer (porcelain laminate) - laboratory*	330.00
D2980	Crown repair, by report*	30.00
None	Temporary filling***	25.00
Endodontics		
D3110	Pulp cap - direct (excluding final restoration)	25.00
D3120	Pulp cap - indirect (excluding final restoration)	22.00
D3220	Therapeutic pulpotomy (excluding final restoration) - removal of pulp coronal to the dentinocemental junction and application of medicament	60.00
D3310	Anterior (excluding final restoration).....	145.00
D3320	Bicuspid (excluding final restoration).....	225.00
D3330	Molar (excluding final restoration)	295.00
D3346	Retreatment of previous root canal therapy - anterior	335.00
D3347	Retreatment of previous root canal therapy - bicuspid	395.00
D3348	Retreatment of previous root canal therapy - molar	480.00
D3410	Apicoectomy/periradicular surgery - anterior.....	270.00
D3421	Apicoectomy/periradicular surgery - bicuspid (first root)	300.00
D3425	Apicoectomy/periradicular surgery - molar (first root)	335.00
D3426	Apicoectomy/periradicular surgery - (each additional root)	115.00
D3430	Retrograde filling - per root.....	85.00
D3450	Root amputation - per root	175.00
D3920	Hemisection (including any root removal), not including root canal therapy	145.00
Periodontics		
D4210	Gingivectomy or gingivoplasty - four or more contiguous teeth or bounded teeth spaces per quadrant	175.00
D4211	Gingivectomy or gingivoplasty - one to three contiguous teeth or bounded teeth spaces per quadrant.....	75.00
D4240	Gingival flap procedure, including root planing - four or more contiguous teeth or bounded teeth spaces per quadrant	170.00

ADA Code**	Service Description**	Member Copayment
D4241	Gingival flap procedure, including root planing - one to three contiguous teeth or bounded teeth spaces per quadrant.....	130.00
D4260	Osseous surgery (including flap entry and closure) - four or more contiguous teeth or bounded teeth spaces per quadrant.....	490.00
D4261	Osseous surgery (including flap entry and closure) - one to three contiguous teeth or bounded teeth spaces per quadrant.....	284.00
D4320	Provisional splinting - intracoronal.....	170.00
D4321	Provisional splinting - extracoronal.....	150.00
D4341	Periodontal scaling and root planing - four or more teeth per quadrant.....	90.00
D4342	Periodontal scaling and root planing - one to three teeth per quadrant.....	57.00
D4355	Full mouth debridement to enable comprehensive evaluation and diagnosis.....	90.00
D4910	Periodontal maintenance.....	55.00
None	Periodontal hygiene instructions***.....	5.00
Prosthodontics, removable		
D5110	Complete denture - maxillary*.....	385.00
D5120	Complete denture - mandibular*.....	385.00
D5130	Immediate denture - maxillary*.....	480.00
D5140	Immediate denture - mandibular*.....	480.00
D5211	Maxillary partial denture - resin base (including any conventional clasps, rests and teeth)*.....	410.00
D5212	Mandibular partial denture - resin base (including any conventional clasps, rests and teeth)*.....	410.00
D5213	Maxillary partial denture - cast metal framework with resin denture bases (including any conventional clasps, rests and teeth)*.....	495.00
D5214	Mandibular partial denture - cast metal framework with resin denture bases (including any conventional clasps, rests and teeth)*.....	495.00
D5410	Adjust complete denture - maxillary.....	35.00
D5411	Adjust complete denture - mandibular.....	35.00
D5421	Adjust partial denture - maxillary.....	35.00
D5422	Adjust partial denture - mandibular.....	35.00
D5510	Repair broken complete denture base*.....	70.00
D5610	Repair resin denture base*.....	80.00
D5620	Repair cast framework*.....	80.00
D5630	Repair or replace broken clasp*.....	100.00
D5640	Replace broken teeth - per tooth*.....	65.00
D5650	Add tooth to existing partial denture*.....	90.00
D5730	Reline complete maxillary denture (chairside).....	150.00
D5731	Reline complete mandibular denture (chairside).....	150.00
D5740	Reline maxillary partial denture (chairside).....	140.00
D5741	Reline mandibular partial denture (chairside).....	140.00
D5750	Reline complete maxillary denture (laboratory)*.....	150.00
D5751	Reline complete mandibular denture (laboratory)*.....	150.00
D5760	Reline maxillary partial denture (laboratory)*.....	150.00
D5761	Reline mandibular partial denture (laboratory)*.....	150.00
D5850	Tissue conditioning, maxillary.....	60.00
D5851	Tissue conditioning, mandibular.....	60.00
D5862	Precision attachment, by report*.....	160.00
Prosthodontics, fixed		
D6210	Pontic - cast high noble metal*.....	340.00
D6211	Pontic - cast predominantly base metal*.....	340.00
D6212	Pontic - cast noble metal*.....	340.00
D6240	Pontic - porcelain fused to high noble metal*.....	340.00
D6241	Pontic - porcelain fused to predominantly base metal*.....	340.00
D6242	Pontic - porcelain fused to noble metal*.....	340.00
D6251	Pontic - resin with predominantly base metal*.....	340.00

ADA Code**	Service Description**	Member Copayment
D6545	Retainer - cast metal for resin bonded fixed prosthesis*	165.00
D6721	Crown - resin with predominantly base metal*	340.00
D6750	Crown - porcelain fused to high noble metal*	340.00
D6751	Crown - porcelain fused to predominantly base metal*	340.00
D6752	Crown - porcelain fused to noble metal*	340.00
D6780	Crown - 3/4 cast high noble metal*	340.00
D6790	Crown - full cast high noble metal*	340.00
D6791	Crown - full cast predominantly base metal*	340.00
D6792	Crown - full cast noble metal*	340.00
D6930	Removal fixed partial denture	55.00
D6940	Stress breaker	150.00
D6950	Precision attachment	230.00
D6980	Fixed partial denture repair, by report*	55.00
None	Resin bonded bridge pontic, per unit***(*)	245.00
Oral Surgery		
D7111	Extraction, coronal remnants - deciduous tooth	25.00
D7140	Extraction, erupted tooth or exposed root (elevation and/or forceps removal)	25.00
D7210	Surgical removal of erupted tooth requiring elevation of mucoperiosteal flap and removal of bone and/or section of tooth	85.00
D7220	Removal of impacted tooth - soft tissue	105.00
D7230	Removal of impacted tooth - partially bony	140.00
D7240	Removal of impacted tooth - completely bony	165.00
D7241	Removal of impacted tooth - completely bony, with unusual surgical complications	205.00
D7250	Surgical removal of residual tooth roots (cutting procedure)	85.00
D7270	Tooth reimplantation and/or stabilization of accidentally evulsed or displaced tooth	175.00
D7280	Surgical access of an unerupted tooth	165.00
D7310	Alveoloplasty in conjunction with extractions - per quadrant	95.00
D7320	Alveoloplasty not in conjunction with extractions - per quadrant	140.00
D7510	Incision and drainage of abscess - intraoral soft tissue	95.00
D7960	Frenulectomy (frenectomy or frenotomy) - separate procedure	205.00
Other Services		
D9220	Deep sedation/general anesthesia - first 30 minutes	185.00
D9230	Analgesia, anxiolysis, inhalation of nitrous oxide	20.00
D9241	Intravenous conscious sedation/analgesia - first 30 minutes	180.00
D9242	Intravenous conscious sedation/analgesia - each additional 15 minutes	40.00
D9940	Occlusal guard, by report*	95.00
D9951	Occlusal adjustment - limited	55.00
D9952	Occlusal adjustment - complete	280.00
Bleaching		
D9972	External bleaching - per arch	185.00

SECTION II: SPECIALIST SERVICES

(Subject to Limitations and Exclusions Listed in the Evidence of Coverage)

If Member requires dental specialty services that cannot be provided by selected Plan Dentist, Member may obtain such services from a SBA Plan Specialist, a Non-SBA Plan Specialist, or a Non-Plan Specialist. No referral from Member's selected Plan Dentist is needed. However, Member's out-of-pocket expense may vary depending on whether services are received from a SBA Plan Specialist, a Non-SBA Plan Specialist or a Non-Plan Specialist. Member responsibilities for obtaining services from these three categories of specialists are described below.

To fully understand payment responsibility for dental specialty services, Member should discuss the proposed treatment and its cost with the specialist prior to treatment. Availability of specific types of specialty services from a SBA or Non-SBA Plan Specialist depends on which types of dentists are SBA or Non-SBA Plan Specialists. Types of dentists who are SBA or Non-SBA Plan Specialists may vary from time to time in different parts of the Service Area. Availability of any specific dentist, or any specific type of dentist, as a SBA or Non-SBA Plan Specialist is not guaranteed. Listed Copayments apply only to SBA Plan Specialists who perform the corresponding services listed in the Copayment Schedule. The SBA Plan Specialist used by Member may not perform all listed services.

- A) SBA Plan Specialist Services on Copayment Schedule:** The following Copayment Schedule applies to covered services when they are provided by an SBA Plan Specialist. Member is responsible for paying the amount in the Member Copayment column either at the time the service is received or in accordance with SBA Plan Specialist's billing procedures.

ADA Code**	Service Description***	Member Copayment
Appointments		
D0140	Limited oral evaluation - problem focused.....	35.00
D0150	Comprehensive oral evaluation - new or established patient..... (once in any 6 calendar months)	45.00
D0160	Detailed and extensive oral evaluation - problem focused, by report	67.00
D0170	Re-evaluation - limited, problem focused (established patient; not post-operative visit)	35.00
D0180	Comprehensive periodontal evaluation - new or established patient.....	80.00
Endodontics		
D3320	Bicuspid (excluding final restoration).....	280.00
D3330	Molar (excluding final restoration)	395.00
D3346	Retreatment of previous root canal therapy - anterior.....	360.00
D3347	Retreatment of previous root canal therapy - bicuspid.....	525.00
D3348	Retreatment of previous root canal therapy - molar	545.00
D3410	Apicoectomy/periradicular surgery - anterior.....	265.00
D3421	Apicoectomy/periradicular surgery - bicuspid (first root)	280.00
D3425	Apicoectomy/periradicular surgery - molar (first root)	310.00
D3430	Retrograde filling - per root.....	90.00
Periodontics		
D4210	Gingivectomy or gingivoplasty - four or more contiguous teeth or bounded teeth spaces per quadrant	355.00
D4211	Gingivectomy or gingivoplasty - one to three contiguous teeth or bounded teeth spaces per quadrant.....	100.00
D4260	Osseous surgery (including flap entry and closure) - four or more contiguous teeth or bounded teeth spaces per quadrant.....	495.00
D4261	Osseous surgery (including flap entry and closure) - one to three contiguous teeth or bounded teeth spaces per quadrant.....	215.00
D4341	Periodontal scaling and root planing - four or more teeth per quadrant.....	100.00
D4342	Periodontal scaling and root planing - one to three teeth per quadrant	70.00
D4355	Full mouth debridement to enable comprehensive evaluation and diagnosis.....	80.00
Oral Surgery		
D7210	Surgical removal of erupted tooth requiring elevation of mucoperiosteal flap and removal of bone and/or section of tooth.....	80.00
D7220	Removal of impacted tooth - soft tissue	105.00
D7230	Removal of impacted tooth - partially bony	135.00
D7240	Removal of impacted tooth - completely bony	200.00
D7241	Removal of impacted tooth - completely bony, with unusual surgical complications	220.00
D7250	Surgical removal of residual tooth roots (cutting procedure).....	75.00
D7310	Alveoplasty in conjunction with extractions - per quadrant.....	180.00

ADA Code**	Service Description**	Member Copayment
D7320	Alveoplasty not in conjunction with extractions - per quadrant.....	130.00
D7510	Incision and drainage of abscess - intraoral soft tissue	105.00
D7960	Frenulectomy (frenectomy or frenotomy) - separate procedure.....	185.00
Other Services		
D9241	Intravenous conscious sedation/analgesia - first 30 minutes.....	170.00

B) SBA Plan Specialist Services Not on Copayment Schedule/Non-SBA Plan Specialist Services:
 Dental services obtained from an SBA Plan Specialist, but not listed on the Copayment Schedule above, and dental services obtained from a Non-SBA Plan Specialist will be provided to Member at reduced charges. A 15% reduction from that Plan Specialist's normal retail charges applies to services obtained from a Plan Specialist who is an endodontist. A 25% reduction from that Plan Specialist's normal retail charges applies to services obtained from any other Plan Specialist (including, but not limited to, a Plan Specialist who is an orthodontist). Member is responsible for paying the entire reduced charge either at the time the service is received or in accordance with Plan Specialist's billing procedures.

C) Non-Plan Specialist Services on Plan Benefit Schedule Subject to a \$2,000 Limit Paid by Company in Any Calendar Year: The following Plan Benefit Schedule applies to covered services when they are provided by a Non-Plan Specialist. Member is responsible for paying that specialist's entire normal retail charge for the service at the time the service is received or in accordance with the specialist's billing procedures. Member may then submit a completed claim form, with the itemized bill attached, to Company. (Member may obtain claim forms by contacting Company.) Company will pay Member the lesser of the amount shown in the **Maximum Company Reimbursement** column or the amount charged by the specialist for the service.

ADA Code**	Service Description**	Maximum Company Reimbursement
Appointments		
D0140	Limited oral evaluation - problem focused.....	20.00
D0150	Comprehensive oral evaluation - new or established patient..... (once in any 6 calendar months)	25.00
D0160	Detailed and extensive oral evaluation - problem focused, by report	45.00
D0170	Re-evaluation - limited, problem focused (established patient; not post-operative visit)	25.00
D0180	Comprehensive periodontal evaluation - new or established patient.....	50.00
Endodontics		
D3320	Bicuspid (excluding final restoration).....	320.00
D3330	Molar (excluding final restoration)	405.00
D3346	Retreatment of previous root canal therapy - anterior.....	230.00
D3347	Retreatment of previous root canal therapy - bicuspid.....	265.00
D3348	Retreatment of previous root canal therapy - molar.....	345.00
D3410	Apicoectomy/periradicular surgery - anterior.....	335.00
D3421	Apicoectomy/periradicular surgery - bicuspid (first root)	420.00
D3425	Apicoectomy/periradicular surgery - molar (first root)	390.00
D3430	Retrograde filling - per root.....	85.00
Periodontics		
D4210	Gingivectomy or gingivoplasty - four or more contiguous teeth or bounded teeth spaces per quadrant.....	195.00

ADA Code**	Service Description**	Maximum Company Reimbursement
D4211	Gingivectomy or gingivoplasty - one to three contiguous teeth or bounded teeth spaces per quadrant.....	65.00
D4260	Osseous surgery (including flap entry and closure) - four or more contiguous teeth or bounded teeth spaces per quadrant.....	395.00
D4261	Osseous surgery (including flap entry and closure) - one to three contiguous teeth or bounded teeth spaces per quadrant.....	170.00
D4341	Periodontal scaling and root planing - four or more teeth per quadrant.....	90.00
D4342	Periodontal scaling and root planing - one to three teeth per quadrant.....	65.00
D4355	Full mouth debridement to enable comprehensive evaluation and diagnosis.....	50.00
Oral Surgery		
D7210	Surgical removal of erupted tooth requiring elevation of mucoperiosteal flap and removal of bone and/or section of tooth.....	120.00
D7220	Removal of impacted tooth - soft tissue.....	125.00
D7230	Removal of impacted tooth - partially bony.....	155.00
D7240	Removal of impacted tooth - completely bony.....	130.00
D7241	Removal of impacted tooth - completely bony, with unusual surgical complications.....	180.00
D7250	Surgical removal of residual tooth roots (cutting procedure).....	125.00
D7310	Alveoplasty in conjunction with extractions - per quadrant.....	70.00
D7320	Alveoplasty not in conjunction with extractions - per quadrant.....	150.00
D7510	Incision and drainage of abscess - intraoral soft tissue.....	55.00
D7960	Frenulectomy (frenectomy or frenotomy) - separate procedure.....	145.00
Other Services		
D9241	Intravenous conscious sedation/analgesia - first 30 minutes.....	115.00

D) Non-Plan Specialist Services Not on Plan Benefit Schedule: Plan Benefits are not available for any service that is both (a) received from a Non-Plan Specialist and (b) not listed on the Plan Benefit Schedule above. **Payment of the Non-Plan Specialist's entire normal retail charge for each such service is the responsibility of Member, except for limited benefits for Emergency Services as specifically stated in the EMERGENCY SERVICES Article of the Evidence of Coverage.**

*Member will be responsible for cost of additional lab fees for these services.

**Current Dental Terminology © American Dental Association.

***Service does not have an American Dental Association current dental terminology code or descriptor.



GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE

320 Sixth Avenue, North - 8th Floor
NASHVILLE, TENNESSEE 37243-0057
615-741-2564

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Doug Jackson Jamie Woodson
Paul Stanley
Randy McNally, *ex officio*
Lt. Governor Ron Ramsey, *ex officio*

MEMORANDUM

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Charles Curtiss, Chairman, Fiscal Review Committee
Bill Ketron, Chairman, Contract Services Subcommittee

cc
BK

DATE: September 12, 2008

SUBJECT: Contract Comments
(Contract Services Subcommittee Meeting 9/9)

RFS# 317.86-034

Department: Finance and Administration/Benefits Administration

Contractor: Union Security Insurance Company

Summary: The vendor is currently responsible for the administration of the State's prepaid dental plan. The proposed amendment adds language relative to the prohibited employment of illegal immigrants, HIPAA compliance requirements, Voluntary Buyout Program requirements, extends the term an additional year, through December 31, 2009, and increases the maximum liability by \$1,000,000.

Maximum liability: \$15,000,000

Maximum liability w/amendment \$16,000,000

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: Ms. Laurie Lee, Executive Director, Benefits Administration
Mr. Robert Barlow, Director, Office of Contracts Review



RECEIVED

AUG 29 2008

FISCAL REVIEW

STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
BENEFITS ADMINISTRATION

312 Eighth Avenue North
Suite 2600 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243

Phone (615) 741-3590 or (800) 253-9981
FAX (615) 253-8556

Dave Goetz
COMMISSIONER

Laurie Lee
EXECUTIVE DIRECTOR

MEMORANDUM

To: James White, Executive Director, Fiscal Review Committee

From: John Anderson, Director of Public Sector Plans, Benefits Administration

Date: August 29, 2008

RE: Amendment to extend Union Security Insurance Company contract and adds contractor responsibilities for the transmission of enrollment through Edison

Attached is a Non-Competitive Amendment request to add language to the existing contract with Union Security Insurance Company containing the signature of Commissioner M. D. Goetz, Jr. The base contract is included as is amendment number one. The current amendment #2 transfers data management responsibilities from the Tennessee Insurance System (TIS) to the State's Enterprise Resource Planning (ERP) system, operating under the name of Edison. This amendment also extends the term of the contract under the first of two possible one year extensions included in the terms of the original contract. The maximum liability is increased to accommodate the term extension, but the premium fees remain constant into this fourth year.

Thank you for your consideration of this request.

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration
Date:

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.

1) RFS #	317.86-034		
2) State Agency Name :	Finance & Administration		
EXISTING CONTRACT INFORMATON			
3) Service Caption :	Prepaid dental insurance coverage.		
4) Contractor :	Union Security Insurance Company		
5) Contract #	FA-06-16585-00		
6) Contract Start Date :	January 1, 2006		
7) <u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	December 31, 2008		
8) <u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$15,000,000		
PROPOSED AMENDMENT INFORMATON			
9) <u>Proposed</u> Amendment #	# 2		
10) <u>Proposed</u> Amendment Effective Date : (attached explanation required if date is < 60 days after F&A receipt)	January 1, 2009		
11) <u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	December 31, 2009		
12) <u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$16,000,000		
13) Approval Criteria : (select one)	<input checked="" type="checkbox"/>	use of Non-Competitive Negotiation is in the best interest of the state	
	<input type="checkbox"/>	only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :			
<p>This amendment, to extend the contract with Union Security Insurance Company – the insurer of the Optional Prepaid Dental Insurance Plan, provides for an additional year (January 1, 2009 through December 31, 2009) with no increase in premiums. Also, the amendment is necessary in order to revise the data interface from the Tennessee Insurance System (TIS) to the State's Enterprise Resource Planning (ERP) system, operating under the name Edison, to be HIPAA compliant, and to change Contractor requirements for the electronic transmission of enrollment information through the new Edison system.</p>			

15) Explanation of Need for the Proposed Amendment :

The proposed amendment is necessary in order to continue to offer an Optional Prepaid Dental Plan during calendar 2009 to State, Local Education and Local Government employees with no additional premium increase. Presently there are over 21,500 members enrolled in the Prepaid Dental Plan.

16) Name & Address of Contractor's Current Principal Owner(s) :

(not required if proposed contractor is a state education institution)

Union Security Insurance Company, 8130 Baymeadows Way West, Suite 302, Jacksonville, FL 32256

17) Documentation of Office for Information Resources Endorsement :

(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

18) Documentation of Department of Personnel Endorsement :

(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

19) Documentation of State Architect Endorsement :

(required only if the subject service involves construction or real property related services)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

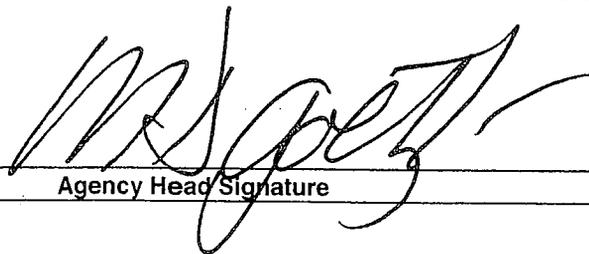
There is not a need to procure another vendor, rather the State is seeking through this amendment to exercise the option to extend the term for one year based on language included in Section B.2. of the original contract. Original contract was secured through a competitive procurement, and the amendment will maintain the present premiums, and add the necessary Edison transition language. The amendment is in the best interest of the plan members and is acceptable to the State.

21) Justification for the Proposed Non-Competitive Amendment :

The contract with Union Security Insurance Company, provider of the Optional Prepaid Dental Plan, was secured through a competitive procurement, and the option to extend the term for one year is provided for under Section B.2. of the original contract. The extension of the contract, with no premium increase, is in the best interest of the plan members and the State.

REQUESTING AGENCY HEAD SIGNATURE & DATE :

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)



Agency Head Signature



Date



FAX/EMAIL TRANSMITTAL

to Request OIR Procurement Endorsement

TO : Jane Chittenden, Director
OIR Procurement & Contract Management **FAX # 741-6164**

FROM : Marlene D. Alvarez, Procurement &
Contracting Manager **FAX # 253-8556**

DATE : August 29, 2008

RFS # 317.86-034

RE : Procurement Endorsement — Union Security Insurance Company,
amendment transfer Contractor responsibilities from Tennessee
Insurance System (TIS) to Edison

INFORMATION SYSTEMS PLAN PROJECT: PROJECT NUMBER or N/A

NUMBER OF FAX PAGES (including cover) : 1

The nature and scope of service detailed in the attached service procurement document(s) appears to require Office for Information Resources (OIR) review and support, because the procurement involves information technology or information systems services.

This communication seeks to ensure that OIR is aware of the procurement and has an opportunity to review the matter. Please determine whether OIR is supportive of the procurement. If you have any questions or concerns about this matter, please call **Marlene D. Alvarez** at **615-253-8358**.

Please indicate below your response to this proposed procurement, and return this communication at your earliest convenience (note the return FAX number above).

Thank you for your help.

Attachment(s)

Must include the entire contract or amendment document and where applicable, the non-competitive contract or amendment request form. The original contract and any prior amendments that were applied to the same section of the contract must be provided with an amendment. Electronic copies of the contract, amendments, and request form without signature are acceptable.

RFP documents must be provided in electronic form.

OIR Endorsement :

Mark Bengel (gc)

8/29/08

CONTRACT SUMMARY SHEET

021908

RFS #	317.86-034	Contract #	FA-06-16585-02	RECEIVED
State Agency	Finance and Administration	State Agency Division	Benefits Administration	
Contractor Name	Union Security Insurance Company	Contractor ID # (FEIN or SSN)	81-0170070	DEC 18 2008
		<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V-	FISCAL REVIEW	

Service Description
Prepaid Dental Insurance coverage. Amendment extends term to Dec. 31, 2009 and adds Edison requirements.

Contract Begin Date	Contract End Date	SUBRECIPIENT or VENDOR?	CFDA #
1-1-06	12-31-09	vendor	

Mark Each TRUE Statement

Contractor is on STARS Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
317.86	60	907	55, 56, 58		
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2006			\$13,500,000		\$13,500,000
2007			600,000		600,000
2008			600,000		600,000
2009			300,000		300,000
2010			1,000,000		1,000,000
TOTAL:			\$16,000,000		\$16,000,000

— COMPLETE FOR AMENDMENTS ONLY —

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
FY: 2006	\$13,500,000	
FY: 2007	600,000	
FY: 2008	600,000	
FY: 2009	300,000	
FY: 2010		\$1,000,000
TOTAL:	\$15,000,000	\$1,000,000
End Date:	12-31-08	12-31-09

State Agency Fiscal Contact & Telephone #
Maureen Abbey, Director – Office of Business & Finance
312 Rosa L Parks Avenue, Suite 2000
Nashville, TN 37243
615.741.6070

State Agency Budget Officer Approval
Maureen Abbey

Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

Contractor Ownership (complete for ALL base contracts— N/A to amendments or delegated authorities)

African American Person w/ Disability Hispanic Small Business Government

Asian Female Native American NOT Minority/Disadvantaged Other

Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)

RFP Competitive Negotiation * Alternative Competitive Method *

Non-Competitive Negotiation * Negotiation w/ Government (ID, GG, GU) Other *

* Procurement Process Summary (complete for selection by Non-Competitive Negotiation, Competitive Negotiation, OR Alternative Method)

RECEIVED
 DEPARTMENT OF REVENUE
 OFFICE OF CONTRACT MANAGEMENT SERVICES
 OCT 31 PM 3:36
 DIR/PCM
 JB
 10/15/08

C O N T R A C T S U M M A R Y S H E E T S U P P L E M E N T

Contract Number FA-06-16585-02

Fiscal Year 2009

Allotment Code	Cost Center	Object Code	Fund	Grant Code	Subgrant Code	CFDA #	Amount
317.86	60	907	55				\$250,000
317.86	60	907	56				30,000
317.86	60	907	58				20,000
TOTAL							\$300,000

CONTRACT SUMMARY SHEET SUPPLEMENT

Contract Number: FA-06-16585-02

Fiscal Year: 2010

Allotment Code	Cost Center	Object Code	Fund	Grant Code	Subgrant Code	CFDA #	Amount
317.86	60	907	55				\$800,000
317.86	60	907	56			\$130,000	\$13,000
317.86	60	907	58			\$70,000	\$7,000
TOTAL							\$1,000,000

**AMENDMENT TWO
TO FA-06-16585-00**

This Contract Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and Local Government Insurance Committee, hereinafter referred to as the "State" and Union Security Insurance Company, hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

1. The text of Contract Section A.1.2.10. is deleted in its entirety and replaced with the following:
 - A.1.2.10. The Contractor shall respond in writing to all inquiries by the Division of Benefits Administration within two (2) weeks after receipt of said inquiry. A written response to the State's inquiry, by the Contractor, is required. In cases where additional information to answer the State's inquiry is required, the Contractor shall notify the State immediately as to when the response can be furnished to the State.

2. The text of Contract Section A.1.3. is deleted in its entirety and replaced with the following:
 - A.1.3. **DATA AND SPECIFIC REPORTING REQUIREMENTS**

The Contractor shall:

 - A.1.3.1. Maintain an electronic data interface with the State of Tennessee's Edison System, for the purpose of processing State member enrollment information. The Contractor is responsible for providing and installing the hardware and software necessary. When the Contractor requires the exchange of Protected Health Information (PHI) with the State of Tennessee, the State recommends the use of second level authentication. This is accomplished using the State's standard software product which supports Public Key Infrastructure (PKI). The Contractor will agree to design a solution, in coordination with the State, to connect to the State's SFTP server using a combination of the password and the authentication certificate. Additionally, federal standards require encryption of all electronic protected health data at rest as well as during transmission. The State of Tennessee uses public key encryption with Advanced Encryption Standard (AES) to encrypt PHI. If the State adopts a different or additional encryption standard or tool in the future, the Contractor is expected, with adequate notice, to cooperate with the State to maintain the security of protected information according to all applicable State and Federal standards.

Furthermore, the Contractor must adhere to the privacy and security regulations required by the Health Insurance Portability & Accountability Act of 1996 (HIPAA).

 - A.1.3.1.1. Notwithstanding the requirement to maintain enrollment data, the Contractor is not authorized to initiate data changes to the system without the State's approval, as detailed below. This prohibition shall include, but not be limited to: initiation, termination, and/or changes of coverage.
 - A.1.3.2. Maintain, in its computer system, in-force enrollment records of all State plan participants. Specific additional obligations, relative to this requirement, are the following:
 - A.1.3.2.1. **Weekly Enrollment Update:** To ensure that State plan participants' enrollment records remain accurate and complete, the Contractor commits to the following:
 - to retrieve, via secure medium (see A.1.3.1.) weekly enrollment data electronic transfer files from the State, in the State's Edison 834 file values (See Attachment E), for participants who are maintained in the State's Edison System [files will include full population records for all participants and will be in the

format of ANSI ASC X12.84, Benefit Enrollment and Maintenance (834), version 004010X095A1, with a few fields being customized by the state];

- to complete each of the following tasks by the indicated deadline:

Required Task:	Deadline:	Non-compliant amount for missed deadline:
1. Systematically process and update, via computer programs, the Contractor's database, utilizing the State's weekly enrollment file records	within three (3) <u>working</u> days of receipt of the files from the State	\$100.00 per day for the first (1 st) and second (2 nd) working days out of compliance; \$500.00 per working day thereafter
2. Resolve all mismatches identified by the processing of the weekly files; "mismatches" are defined as: Any difference of values between the State's and the Contractor's databases.	within six (6) <u>working</u> days of receipt of the files from the State	\$100.00 per day for the first (1 st) and second (2 nd) working days out of compliance; \$500.00 per working day thereafter

- and to complete and submit to the State a *Weekly File Transmission Statistics Report* (format to be provided by the State), within seven (7) working days of receipt of the weekly files. Submission of this report shall be via email to designated staff in Benefits Administration.

The Contractor shall also require of its subcontractors, as applicable, maintenance of Weekly Enrollment Updates.

NOTE: Section A.1.3.2.1 shall be monitored by the State as Performance Guarantee # 9 (see Contract Attachment A).

- A.1.3.3. **State of Tennessee Enrollment Data Match:** Upon request by the State, not to exceed two (2) times annually, the Contractor shall submit to the State via secure medium its full file of State enrollees, by which the State will conduct a data match against the State's Edison database. The purpose of this data match will be to determine the extent to which the Contractor is maintaining its database of State members, as required by Section A.1.3.2.1.

Failure by the Contractor to submit records, and in an agreed upon format, within fourteen (14) calendar days of the request from the State, shall result in a non-compliant amount of \$5,000 per request.

Results of this match will be communicated to the Contractor, including any requirements – and associated timeframes – for resolving the discrepancies identified by the data match. Failure by the Contractor to resolve the discrepancies, within the specified timeframe(s) will result in a non-compliant amount to the Contractor of \$5,000.

For the purpose of the requirements of this section, "mismatches" are defined as: Any difference of values between the State's and the Contractor's databases.

- A.1.3.4. Maintain a duplicate set of all records relating to the benefit payments in electronic medium, usable by the State and Contractor for the purpose of disaster recovery. Such duplicate records are to be stored at a secure fire, flood, and theft- protected facility located away from the storage location of the originals. The duplicate data

processing records shall be updated, at a minimum, on a daily basis and retained for a period of 60 days from the date of creation. Upon notice of termination or cancellation of this contract, the original and the duplicate data processing records medium, and the information they contain shall be conveyed to the State on or before the effective date of termination or cancellation.

- A.1.3.5. Reconcile, within ten (10) working days of receipt, payment information provided by the State. Upon identification of any discrepancies, the Contractor shall immediately advise the State.
- A.1.3.6. Performance Guarantees. The Contractor agrees to be bound by the provisions contained in Contract Attachment A, Performance Guarantees, and to pay amounts due upon notification and demonstration of Contractor non-compliance by the State.
- A.1.3.7. Performance Guarantees under Contract Extension. If this Contract is extended, per Section B.2, the Performance Guarantees shall remain unchanged for the years extended.
3. The text of Contract Section A.1.5. is deleted in its entirety and replaced with the following:
- A.1.5. The Contractor is responsible for any monetary payment for not meeting compliance requirements as contained in the following contract sections:
- A.1.2.16 – Communications approval
 - A.1.3.2.1 – Weekly Enrollment Update
 - A.1.3.3 – State of Tennessee Enrollment Data Match
 - A.1.3.6 – Performance Guarantees
 - A.1.3.7 – Performance- Guarantees under Contract Extension
4. The text of Contract Section A.2. is deleted in its entirety and replaced with the following:
- A.2. **SERVICES PROVIDED BY THE STATE**
- The State shall provide enrollment records. These records shall include enrollment data for participants and covered dependents. The Contractor's computer system shall be compatible with and/or have the capability to utilize the enrollment information provided by the State.
5. The text of Contract Section B.1 is deleted in its entirety and replaced with the following:
- B.1. Contract Term. This Contract shall be effective for the period commencing on January 1, 2006 and ending on December 31, 2009. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.
6. The text of Contract Section C.1 is deleted in its entirety and replaced with the following:
- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Sixteen Million Dollars (\$16,000,000.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract

unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

7. The text of Contract Section C.3 is deleted in its entirety and replaced with the following:

C.3. Payment Methodology. The Contractor shall be compensated based on the Premiums herein for monthly service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of monthly service defined in Section A. The Contractor shall be compensated based upon the following monthly premiums:

Coverage Option	Proposer's Guaranteed Monthly Premiums			
	Calendar Year 2006	Calendar Year 2007	Calendar Year 2008	Calendar Year 2009
Employee	\$8.90	\$8.90	\$8.90	\$8.90
Employee + One	15.78	15.78	15.78	15.78
Employee + Family	21.70	21.70	21.70	21.70

The Contractor shall submit monthly invoices, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed monthly service for the amount stipulated.

C.3.1. Payment under Term Extension. If this Contract is extended per Section B.2, any increase in payment to the Contractor under Section C.3, Payment Methodology, shall be no greater than the percentage increase from year two (2007) to year three (2008), for each additional contract year.

8. The text of Contract Section E.2 is deleted in its entirety and replaced with the following:

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Ms. Marlene Alvarez, Manager of Procurement and Contracting
 Tennessee Department of Finance & Administration
 Division of Benefits Administration
 312 Rosa L Parks Avenue, Suite 2600

Nashville, Tennessee 37243
marlene.alvarez@state.tn.us
 Telephone: 615.253.8358
 FAX: 615.253.8556

The Contractor:

Dana Ennis, National Accounts Director
 Union Security Insurance Company (Assurant Employee Benefits)
 3595 Grandview Parkway II, Suite 650
 Birmingham, AL 35242
dana.ennis@assurant.com
 Telephone: 337.991.0305
 FAX #: 205.909.5224

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

9. Contract Attachment A is deleted in its entirety and replaced with the new Contract Attachment A attached hereto.
10. The following provision is added as Contract Section D.20.:
 - D.20. Prohibition of Illegal Immigrants. The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
 - a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment D, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.

- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

11. The following provision is added as Contract Section E.13.:

E.13. Voluntary Buyout Program. The Contractor acknowledges and understands that, for a period of two years beginning August 16, 2008, restrictions are imposed on former state employees who received a State of Tennessee Voluntary Buyout Program (VBP) severance payment with regard to contracts with state agencies that participated in the VBP.

- a. The State will not contract with either a former state employee who received a VBP severance payment or an entity in which a former state employee who received a VBP severance payment or the spouse of such an individual holds a controlling financial interest.
- b. The State may contract with an entity with which a former state employee who received a VBP severance payment is an employee or an independent contractor. Notwithstanding the foregoing, the Contractor understands and agrees that there may be unique business circumstances under which a return to work by a former state employee who received a VBP severance payment as an employee or an independent contractor of a State contractor would not be appropriate, and in such cases the State may refuse Contractor personnel. Inasmuch, it shall be the responsibility of the State to review Contractor personnel to identify any such issues.
- c. With reference to either subsection a. or b. above, a contractor may submit a written request for a waiver of the VBP restrictions regarding a former state employee and a contract with a state agency that participated in the VBP. Any such request must be submitted to the State in the form of the *VBP Contracting Restriction Waiver Request* format available from the State and the Internet at: www.state.tn.us/finance/rds/ocr/waiver.html. The determination on such a request shall be at the sole discretion of the head of the state agency that is a Party to this Contract, the Commissioner of Finance and Administration, and the Commissioner of Human Resources.

12. Contract Attachment D attached hereto is added as a new Contract Attachment.

13. Contract Attachment E attached hereto is added as a new Contract Attachment.

The revisions set forth herein shall be effective January 1, 2009. All other terms and conditions not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF:
UNION SECURITY INSURANCE COMPANY:

John S. Roberts 10/13/08
 CONTRACTOR SIGNATURE DATE
John S. Roberts Interim President & CEO
 PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

STATE OF TENNESSEE,
STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE,
LOCAL GOVERNMENT INSURANCE COMMITTEE:

M.D. Goetz, Jr. 10-15-08
 M.D. GOETZ, JR., CHAIRMAN MOA DATE 97

APPROVED:

M.D. Goetz, Jr. JP 10-30-08
 M. D. GOETZ, JR. COMMISSIONER DATE
 DEPARTMENT OF FINANCE AND ADMINISTRATION

John G. Morgan 11/3/08
 JOHN G. MORGAN, COMPTROLLER OF THE TREASURY DATE

**ATTACHMENT A
PERFORMANCE GUARANTEES**

1. Telephone Response Time	
Guarantee	95% of all calls requesting a member services representative will be answered in 30 seconds or less.
Definition	Response time is defined as the amount of time which elapses between the time a call is received into the phone system to the time a live member services representative answers the phone.
Non-compliance amount	\$250.00 for each full percentage point below the 95% compliance required. Quarterly guarantee
Measurement	Based on internal telephone support system reports. Measured quarterly, reported and reconciled annually through the life of the contract.
2. Member Satisfaction	
Guarantee	The level of overall customer satisfaction, which is measured annually by a State-approved Member Satisfaction Survey, will be 75% or greater in the first year of the Contract, 80% or greater in the second year, and 85% or greater in the third year.
Definition	As determined by responses to the following question: "All things considered, how satisfied are you with your current dental health plan services? Completely Satisfied, Very Satisfied, Somewhat Satisfied, Neither Satisfied Nor Dissatisfied, Somewhat Dissatisfied, Very Dissatisfied, Completely Dissatisfied."
Non-compliance amount	\$10,000.00 Annual.
Measurement	At least 75% of all respondents will indicate Completely, Very, or Somewhat Satisfied (80% and 85% in years two and three, respectively). Measured, reported, and reconciled annually through the life of the contract.
3. Management Reporting	
Guarantee	All quarterly management reports will be delivered by the 30th day subsequent to the end of each reporting period.
Definition	All quarterly management reports will be delivered by the 30 th day subsequent to the end of each reporting period.
Non-compliance amount	\$500.00 for every day that reports are late. Quarterly
Measurement	Measured quarterly, reconciled annually through the life of the contract.
4. Call Abandonment Rate	
Guarantee	Percentage of telephone callers that hang up before speaking to a "live" person will not exceed 5.0%.
Definition	Percentage of telephone callers that hang up before speaking to a "live" person will not exceed 5.0%.
Non-compliance amount	\$500.00 for each full percentage point greater than 5% of all calls. Quarterly
Measurement	Based on internal automated phone report system measured quarterly. Measured quarterly, reported, and reconciled annually through life of the contract.
5. Primary Dentist Turnover rate	
Guarantee	Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary will not exceed 15%.
Definition	Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary, divided by total number of dentists in network at beginning of period.
Non-compliance amount	\$10,000.00 if dental turnover rate exceeds 15% in any Contract Year.
Measurement	Measured, reported and reconciled annually through life of contract.
6. Communication	
Guarantee	100% of State approved member information will be distributed prior to annual transfer period (Oct. 15 - Nov. 15).
Definition	Dental option information necessary for annual transfer period.
Non-compliance amount	Should the above standard not be met, the total non-compliant amount shall be \$10,000.00 per year in which either standard is not met. Annually

Measurement	Measured approved and in the mail prior to October 1 st , reported, and reconciled annually through life of contract.	
7. Identification Card Distribution		
Guarantee	Member ID cards must be distributed to at least 90% of members prior to December 20 th preceding the January 1 st start date for each year of the contract.	
Definition	(see above)	
Non-compliance amount	Should the above standard not be met, the total non-compliant amount shall be \$2,000.00 per year in which the standard is not met	
Measurement	Measured, reported, and reconciled	
8. Provider Network Accessibility		
Guarantee	As measured by the GeoNetworks [®] Provider & Facility Network Accessibility Analysis, the Contractor's provider network will assure that 95% of all members will have the Access Standard indicated.	
Definition	Provider Type	Access Standard
	General Dentists	1 provider within 30 miles
	Specialist Dentists	1 provider within 45 miles
Non-compliance amount	\$5,000.00 if <u>EITHER</u> of the above standards is not met, either individually or in combination.	
Measurement	Annual guarantee: Measured, reported and reconciled annually.	
9. Weekly Enrollment Update (see Contract Section A.1.3.2.1)		
Guarantee	All Weekly Enrollment file processing and mismatch deadlines will be met as detailed at A.1.3.2.1.	
Definition	See A.1.3.2.1.	
Non-compliance amount	See A.1.3.2.1.	
Measurement	Measured and reported weekly; reconciled annually.	

ATTACHMENT D

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	FA-06-16585-00
CONTRACTOR LEGAL ENTITY NAME:	Union Security Insurance Company
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	81-0170040

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

John S. Roberts

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

John S. Roberts Interim President & CEO

PRINTED NAME AND TITLE OF SIGNATORY

10/13/08

DATE OF ATTESTATION

**ATTACHMENT E
EDISON 834 FILE VALUES**

Special Notes:

Items highlighted in yellow indicate TN specific values. Due to the variety of coverage codes required by the State of TN, it was necessary to add custom values to the 834 mapping document. The coverage code of E1D could include Spouse dependents. The coverage code of IND will be used for Dependent Only coverage. The Relationship of '38' denotes a Child claimed on Income Tax. Any dependent with a Relationship of '38' and a "F" in INS09 is not a Student. All dependents in Edison will have the student flag turned on (INS09 = "F") until age 19. At age 19 and greater, only students (with the exception of the Relationship '38') will have INS09 = "F". The REF03, REF04 and HD11 fields contain TN Specific information that is not defined on the PeopleSoft delivered 834. REF04 is defined as a Group Element field, so the budget code is preceded by "zz:"

FIELD NAME	BN_834_FIELD_VALUE	EFFDT	BN_834_FLD_DESCR1	BN_834_FIELD_MAPPD	BN_834_FLD_DESCR2	DATA_TYPE_CD	DEFAULT EDI_CD
COBRA_EV_ENT_CLASS	RED	1/1/1900 0:00	Reduction in Hours	2	Reduction of work hours	Y	N
COBRA_EV_ENT_CLASS	OVG	1/1/1900 0:00	Overage	7	Ineligible Child	Y	N
COBRA_EV_ENT_CLASS	MIL	1/1/1900 0:00	Military Leave	1	Termination of Employment	Y	N
COBRA_EV_ENT_CLASS	MED	1/1/1900 0:00	Medicare Entitlement	3	Medicare	Y	N
COBRA_EV_ENT_CLASS	RET	1/1/1900 0:00	Retired	1	Termination of Employment	Y	N
COBRA_EV_ENT_CLASS	DEP	1/1/1900 0:00	Married Dependent	7	Ineligible Child	Y	N
COBRA_EV_ENT_CLASS	DEA	1/1/1900 0:00	Death	4	Death	Y	N
COBRA_EV_ENT_CLASS	GMC	1/1/1901 0:00	Gross Misconduct - Not Eligible	1	Termination of employment	N	N
COBRA_EV_ENT_CLASS	TER	1/1/1900 0:00	Termination	1	Termination of Employment	Y	N
COBRA_EV_ENT_CLASS	DIV	1/1/1900 0:00	Divorce	5	Divorce	Y	N

COVRG_CD	C	1/1/1901 0:00	Employee plus 1	E1D	Employee and One Dependent	N	N
COVRG_CD	7	1/1/1900 0:00	Dom Partner Adult+Child (ren)	E6D	Employee and Two or More Dependents	Y	N
COVRG_CD	6	1/1/1900 0:00	Domestic Partner Child (ren)	E5D	Employee and One or More Dependents	Y	N
COVRG_CD	5	1/1/1900 0:00	Domestic Partner Adult	E1D	Employee and One Dependent	Y	N
COVRG_CD	4	1/1/1900 0:00	Family	E6D	Employee and Two or More Dependents	Y	N
COVRG_CD	3	1/1/1900 0:00	Employee + Dependents	E5D	Employee and One or More Dependents	Y	N
COVRG_CD	2	1/1/1900 0:00	Employee + Spouse	ESP	Employee and Spouse	Y	N
COVRG_CD	1	1/1/1900 0:00	Employee Only	EMP	Employee Only	Y	N
COVRG_CD	G	1/1/1901 0:00	Employee plus 2	E2D	Employee plus two dependents	N	N
COVRG_CD	F	1/1/1901 0:00	2 Dependent Coverage	TWO	2 Dependent Coverage	N	N
COVRG_CD	H	1/1/1901 0:00	Generic Coverage Code	EHD	Generic coverage code for all Family Members	N	N
COVRG_CD	I	1/1/1901 0:00	Multiple Dependents Only	DEP	Multiple Dependents Only	N	N
COVRG_CD	D	1/1/1901 0:00	Split	ECH	Split	N	N
COVRG_CD	B	1/1/1901 0:00	Family	FAM	Family	N	N
COVRG_CD	A	1/1/1901 0:00	Single	EMP	Employee Only	N	N

COVRG_CD	E	1/1/1901 0:00	Dependent only	IND	Dependent Only	N	N
EMPL_STAT US	T	1/1/1900 0:00	Terminated	TE	Terminated	Y	N
EMPL_STAT US	A	1/1/1900 0:00	Active	FT	Full time active employee	Y	N
EMPL_STAT US	V	1/1/1900 0:00	Terminated Pension Pay Out	TE	Terminated	Y	N
EMPL_STAT US	W	1/1/1900 0:00	Short Work Break	FT	Full time active employee	Y	N
EMPL_STAT US	X	1/1/1900 0:00	Retired- Pension Administration	RT	Retired	Y	N
EMPL_STAT US	U	1/1/1900 0:00	Terminated With Pay	TE	Terminated	Y	N
EMPL_STAT US	D	1/1/1900 0:00	Deceased	TE	Terminated	Y	N
EMPL_STAT US	L	1/1/1900 0:00	Leave of Absence	L1	Leave of Absence	Y	N
EMPL_STAT US	P	1/1/1900 0:00	Leave With Pay	L1	Leave of Absence	Y	N
EMPL_STAT US	Q	1/1/1900 0:00	Retired With Pay	RT	Retired	Y	N
EMPL_STAT US	R	1/1/1900 0:00	Retired	RT	Retired	Y	N
EMPL_STAT US	S	1/1/1900 0:00	Suspended	FT	Full time active employee	Y	N
MAR_STAT US	W	1/1/1900 0:00	Widowed	W	Widowed	Y	N
MAR_STAT US	U	1/1/1900 0:00	Unknown	R	Unknown	Y	N
MAR_STAT US	S	1/1/1900 0:00	Single	I	Single	Y	N
MAR_STAT US	M	1/1/1900 0:00	Married	M	Married	Y	N
MAR_STAT US	H	1/1/1900 0:00	Head of Household	U	Head Of Household	Y	N
MAR_STAT	E	1/1/1900	Separated	S	Separated	Y	N

US		0:00					
MAR_STAT		1/1/1900					
US	D	0:00	Divorced	D	Divorced	Y	N
MAR_STAT		1/1/1900					
US	C	0:00	Common-Law	U	Common-Law	Y	N
PLAN_TYPE	1X	1/1/1901 0:00	Wellness	WELL	Wellness	N	Y
PLAN_TYPE	1Z	1/1/1901 0:00	Mental Health Substance Abuse	AK	Mental Health Substance Abuse	N	Y
PLAN_TYPE	10	1/1/1900 0:00	Medical	HLT	Health	Y	Y
PLAN_TYPE	11	1/1/1900 0:00	Dental	DEN	Dental	Y	Y
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	HLT	Health	Y	Y
PLAN_TYPE	13	1/1/1900 0:00	Major Medical	MM	Major Medical	Y	Y
PLAN_TYPE	14	1/1/1900 0:00	Vision	VIS	Vision	Y	Y
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	HLT	Health	Y	Y
PLAN_TYPE	16	1/1/1900 0:00	Domestic Partner Dental	DEN	Dental	Y	Y
PLAN_TYPE	17	1/1/1900 0:00	Domestic Partner Vision	VIS	Vision	Y	Y
PLAN_TYPE	10	1/1/1900 0:00	Medical	AG	Preventive Care/Wellness	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	EPO	Exclusive Provider Org (EPO)	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	FAC	Facility	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	HE	Hearing	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	HMO	Health Maintenance Org (HMO)	Y	N

PLAN_TYPE	10	1/1/1900 0:00	Medical	MOD	Mail Order Drug	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	PDG	Prescription Drug	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	POS	Point of Service (POS)	Y	N
PLAN_TYPE	10	1/1/1900 0:00	Medical	PPO	Preferred Provider Org (PPO)	Y	N
PLAN_TYPE	11	1/1/1900 0:00	Dental	DCP	Dental Capitation (DMO)	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	AG	Preventive Care/Wellness	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	DEN	Dental	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	EPO	Exclusive Provider Org (EPO)	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	FAC	Facility	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	HMO	Health Maintenance Org (HMO)	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	MOD	Mail Order Drug	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	PDG	Prescription Drug	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	POS	Point Of Service (POS)	Y	N
PLAN_TYPE	12	1/1/1900 0:00	Medical/Dental	PPO	Preferred Provider Org (PPO)	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	AG	Preventive Care/Wellness	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	EPO	Exclusive Provider Org (EPO)	Y	N

PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	FAC	Facility	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	HE	Hearing	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	HMO	Health Maintenance Org (HMO)	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	MOD	Mail Order Drug	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	PDG	Prescription Drug	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	POS	Point Of Service (POS)	Y	N
PLAN_TYPE	15	1/1/1900 0:00	Domestic Partner Medical	PPO	Preferred Provider Org (PPO)	Y	N
PLAN_TYPE	16	1/1/1900 0:00	Domestic Partner Dental	DCP	Dental Capitation (DMO)	Y	N
PLAN_TYPE	1V	1/1/1901 0:00	Medicare Supplement	SUP	Medicare Supplement	N	Y
PLAN_TYPE	1Y	1/1/1901 0:00	Employee Assistance Program	AG	Employee Assistance Program	N	Y
RELATIONS HIP	CN	1/1/1901 0:00	Natural Child	19	Child	N	N
RELATIONS HIP	CS	1/1/1901 0:00	Step Child	19	Child	N	N
RELATIONS HIP	A	1/1/1900 0:00	Aunt	06	Uncle or Aunt	Y	N
RELATIONS HIP	B	1/1/1900 0:00	Brother	14	Brother or Sister	Y	N
RELATIONS HIP	D	1/1/1900 0:00	Daughter	19	Child	Y	N

RELATIONS HIP	E	1/1/1900 0:00	Employee	38	Collateral Dependent	Y	N
RELATIONS HIP	FA	1/1/1900 0:00	Father	03	Father or Mother	Y	N
RELATIONS HIP	FI	1/1/1900 0:00	Father-in-Law	13	Mother-in-law or Father-in- law	Y	N
RELATIONS HIP	FR	1/1/1900 0:00	Friend	38	Collateral Dependent	Y	N
RELATIONS HIP	GC	1/1/1900 0:00	Grandchild	05	Grandson or Granddaughter	Y	N
RELATIONS HIP	GF	1/1/1900 0:00	Grandfather	04	Grandfather or Grandmother	Y	N
RELATIONS HIP	GM	1/1/1900 0:00	Grandmother	04	Grandfather or Grandmother	Y	N
RELATIONS HIP	M	1/1/1900 0:00	Mother	03	Father or Mother	Y	N
RELATIONS HIP	MI	1/1/1900 0:00	Mother-in-Law	13	Mother-in-law or Father-in- law	Y	N
RELATIONS HIP	N	1/1/1900 0:00	Neighbor	38	Collateral Dependent	Y	N
RELATIONS HIP	NA	1/1/1900 0:00	Domestic Partner Adult	53	Life Partner	Y	N
RELATIONS HIP	ND	1/1/1900 0:00	Domestic Partner Daughter	38	Collateral Dependent	Y	N
RELATIONS HIP	NE	1/1/1900 0:00	Nephew	07	Nephew or Niece	Y	N
RELATIONS HIP	NI	1/1/1900 0:00	Niece	07	Nephew or Niece	Y	N
RELATIONS HIP	NS	1/1/1900 0:00	Domestic Partner Son	38	Collateral Dependent	Y	N
RELATIONS HIP	O	1/1/1900 0:00	Other	38	Collateral Dependent	Y	N
RELATIONS HIP	R	1/1/1900 0:00	Other Relative	38	Collateral Dependent	Y	N
RELATIONS HIP	RO	1/1/1900 0:00	Roommate	38	Collateral Dependent	Y	N

RELATIONS HIP	S	1/1/1900 0:00	Son	19	Child	Y	N
RELATIONS HIP	SI	1/1/1900 0:00	Sister	14	Brother or Sister	Y	N
RELATIONS HIP	SP	1/1/1900 0:00	Spouse	01	Spouse	Y	N
RELATIONS HIP	T	1/1/1900 0:00	Estate	31	Court Appointed Guardian	Y	N
RELATIONS HIP	U	1/1/1900 0:00	Uncle	06	Uncle or Aunt	Y	N
RELATIONS HIP	X	1/1/1900 0:00	ExSpouse	25	Ex-spouse	Y	N
RELATIONS HIP	XC	1/1/1900 0:00	Recognized Child	19	Child	Y	N
RELATIONS HIP	XD	1/1/1900 0:00	Foster Daughter	10	Foster Child	Y	N
RELATIONS HIP	XS	1/1/1900 0:00	Foster Son	10	Foster Child	Y	N
RELATIONS HIP	CT	1/1/1901 0:00	Child claimed on income tax	38	Child	N	N
RELATIONS HIP	CG	1/1/1901 0:00	Grandchild	05	Grandson or Granddaughter	N	N
RELATIONS HIP	CL	1/1/1901 0:00	Legal Guardian	19	Child	N	N
RELATIONS HIP	SD	1/1/1901 0:00	Special Decision	19	Child	N	N
SMOKER	Y	1/1/1900 0:00	Smoker - Yes	T	Tobacco Use	Y	N
SMOKER	N	1/1/1900 0:00	Smoker - No	U	Unknown	Y	N
TIMEZONE	ADT	1/1/1900 0:00	DST Atlantic Time (Canada)	TD	Atlantic Daylight Time	Y	N
TIMEZONE	WEST	1/1/1900 0:00	West Europe Time, Berlin, Rome, Paris	01	Equivalent to ISO P01	Y	N
TIMEZONE	AKDT	1/1/1900 0:00	DST Alaska Time	AD	Alaska Daylight Time	Y	N
TIMEZONE	AKST	1/1/1900	Alaska Time	AS	Alaska	Y	N

		0:00			Standard Time		
TIMEZONE	ARST	1/1/1900 0:00	Arabian Time, Abu Dhabi, Muscat	04	Equivalent to ISO P04	Y	N
TIMEZONE	AST	1/1/1900 0:00	Atlantic Time (Canada)	TS	Atlantic Standard Time	Y	N
TIMEZONE	AZDT	1/1/1900 0:00	DST Azores Time, Cape Verde Is.	UT	Universal Time Coordinate	Y	N
TIMEZONE	AZST	1/1/1900 0:00	Azores Time, Cape Verde Is.	24	Equivalent to ISO M01	Y	N
TIMEZONE	BST	1/1/1900 0:00	Bangkok Time, Hanoi, Jakarta	07	Equivalent to ISO P07	Y	N
TIMEZONE	CASST	1/1/1900 0:00	Central Asia Time, Almaty, Dhaka	06	Equivalent to ISO P06	Y	N
TIMEZONE	CAUDT	1/1/1900 0:00	DST Central Australia, Adelaide	10	Equivalent to ISO P10	Y	N
TIMEZONE	CAUST	1/1/1900 0:00	Central Australia, Adelaide	09	Equivalent to ISO P09	Y	N
TIMEZONE	CDT	1/1/1900 0:00	DST Central Time	CD	Central Daylight Time	Y	N
TIMEZONE	CPST	1/1/1900 0:00	Central Pacific, Magadan, Solomon Is.	11	Equivalent to ISO P11	Y	N
TIMEZONE	CST	1/1/1900 0:00	Central Time	CS	Central Standard Time	Y	N
TIMEZONE	DST	1/1/1900 0:00	Dateline Time, Eniwetok, Kwajalein	13	Equivalent to ISO M12	Y	N
TIMEZONE	EDT	1/1/1900 0:00	DST Eastern Time	ED	Eastern Daylight Time	Y	N
TIMEZONE	EKDT	1/1/1900 0:00	DST Ekaterinburg Time	06	Equivalent to ISO P06	Y	N
TIMEZONE	EKST	1/1/1900 0:00	Ekaterinburg Time	05	Equivalent to ISO P05	Y	N

TIMEZONE	EST	1/1/1900 0:00	Eastern Time	ES	Eastern Standard Time	Y	N
TIMEZONE	GFTDT	1/1/1900 0:00	DST GFT Time, Athens, Istanbul, Minsk	03	Equivalent to ISO P03	Y	N
TIMEZONE	GFTST	1/1/1900 0:00	GFT Time, Athens, Istanbul, Minsk	02	Equivalent to ISO P02	Y	N
TIMEZONE	GMDT	1/1/1900 0:00	DST GMT, London, Dublin, Lisbon, Edinburgh	01	Equivalent to ISO P01	Y	N
TIMEZONE	GMT	1/1/1900 0:00	GMT, London, Dublin, Lisbon, Edinburgh	GM	Greenwich Mean Time	Y	N
TIMEZONE	HST	1/1/1900 0:00	Hawaiian Time	HT	Hawaii- Aleutian Time	Y	N
TIMEZONE	IRDT	1/1/1900 0:00	DST Iran Time, Tehran	04	Equivalent to ISO P04	Y	N
TIMEZONE	IRST	1/1/1900 0:00	Iran Time, Tehran	03	Equivalent to ISO P03	Y	N
TIMEZONE	IST	1/1/1900 0:00	India Time, Bombay, Calcutta, New Delhi	05	Equivalent to ISO P05	Y	N
TIMEZONE	MADT	1/1/1900 0:00	DST Mid- Atlantic Time	24	Equivalent to ISO M01	Y	N
TIMEZONE	MAST	1/1/1900 0:00	Mid-Atlantic Time	23	Equivalent to ISO M02	Y	N
TIMEZONE	MDT	1/1/1900 0:00	DST Mountain Time	MD	Mountain Daylight Time	Y	N
TIMEZONE	MST	1/1/1900 0:00	Mountain Time	MS	Mountain Standard Time	Y	N
TIMEZONE	NDT	1/1/1900 0:00	DST Newfoundland Time	ND	Newfoundland Daylight Time	Y	N
TIMEZONE	NST	1/1/1900 0:00	Newfoundland Time	NS	Newfoundland Standard Time	Y	N

TIMEZONE	NZDT	1/1/1900 0:00	DST New Zealand Time, Auckland, Wellington	13	Equivalent to ISO M12	Y	N
TIMEZONE	NZST	1/1/1900 0:00	New Zealand Time, Auckland, Wellington	12	Equivalent to ISO P12	Y	N
TIMEZONE	PDT	1/1/1900 0:00	DST Pacific Time, Tijuana	PD	Pacific Daylight Time	Y	N
TIMEZONE	PST	1/1/1900 0:00	Pacific Time, Tijuana	PS	Pacific Standard Time	Y	N
TIMEZONE	RDT	1/1/1900 0:00	DST Russian Time, Moscow, St. Petersburg, Volgogra	04	Equivalent to ISO P04	Y	N
TIMEZONE	RST	1/1/1900 0:00	Russian Time, Moscow, St. Petersburg, Volgograd	03	Equivalent to ISO P03	Y	N
TIMEZONE	SAEST	1/1/1900 0:00	SA Eastern Time, Buenos Aires, Georgetown	22	Equivalent to ISO M03	Y	N
TIMEZONE	SDT	1/1/1900 0:00	DST Sydney Time, Canberra, Melbourne	11	Equivalent to ISO P11	Y	N
TIMEZONE	SMST	1/1/1900 0:00	Samoa Time, Midway Island	14	Equivalent to ISO M11	Y	N
TIMEZONE	SST	1/1/1900 0:00	Sydney Time, Canberra, Melbourne	10	Equivalent to ISO P10	Y	N
TIMEZONE	TST	1/1/1900 0:00	Tokyo Time	09	Equivalent to ISO P09	Y	N
TIMEZONE	WAUST	1/1/1900 0:00	West Australia Time, Perth	08	Equivalent to ISO P08	Y	N
TIMEZONE	WEDT	1/1/1900 0:00	DST West Europe Time, Berlin, Rome,	02	Equivalent to ISO P02	Y	N

			Paris						
TIMEZONE	AFST	1/1/1900 0:00	Afghanistan Time, Kabul	04	Equivalent to ISO P04	Y	N		
	CSA	1/1/1901	Central State Active	CSA Central State Active	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	FIR	1/1/1901	Full Time Irregular Officer Cd	FIR Full Time Irregular Officer Cd	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	FML	1/1/1901	FML Benefits Billing	FML FML Benefits Billing	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	GA1	1/1/1901	Local Gov Active Prem Level 1	GA1 Local Gov Active Prem Level 1	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	GA2	1/1/1901	Local Gov Active Prem Level 2	GA2 Local Gov Active Prem Level 2	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	GA3	1/1/1901	Local Gov Active Prem Level 3	GA3 Local Gov Active Prem Level 3	Edison Benefit Program Code and Description	Y	2000	REF	REF03

	HED	1/1/1901	Higher Education	HED Higher Education	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	OLA	1/1/1901	Offline Actives	OLA Offline Actives	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	OLC	1/1/1901	Offline Closed	OLC Offline Closed	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	PAR	1/1/1901	Part Time Non-1450 Hours	PAR Part Time Non-1450 Hours	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	PTN	1/1/1901	Local Education 25 Hours	PTN Local Education 25 Hours	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	PTP	1/1/1901	Part Time 1450 Hours	PTP Part Time 1450 Hours	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	RCS	1/1/1901	Retiree Central State	RCS Retiree Central State	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	RG1	1/1/1901	Local Gov Retiree Prem Level 1	RG1 Local Gov Retiree Prem Level 1	Edison Benefit Program Code and Description	Y	2000	REF	REF03

	RG2	1/1/1901	Local Gov Retiree Prem Level 2	RG2 Local Gov Retiree Prem Level 2	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	RG3	1/1/1901	Local Gov Retiree Prem Level 3	RG3 Local Gov Retiree Prem Level 3	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	RGF	1/1/1901	Retiree Grandfathered	RGF Retiree Grandfath ered	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	RSS	1/1/1901	Loc Ed Retiree Support Staff	RSS Loc Ed Retiree Support Staff	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	RTE	1/1/1901	Loc Ed Retiree Teacher	RTE Loc Ed Retiree Teacher	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	SUR	1/2/1901	Survivor Benefit Program	SUR Survivor Benefit Program	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	TEA	1/1/1901	Local Education	TEA Local Education	Edison Benefit Program Code and Description	Y	2000	REF	REF03

	WCP	1/1/1901	Worker's Compensation	WCP Worker's Compensation	Edison Benefit Program Code and Description	Y	2000	REF	REF03
	Y	1/1/1901	Payment Indicator	Y	Payment Indicator	Y	2300	HD	HD11
	N	1/1/1901	Payment Indicator	N	Payment Indicator	Y	2300	HD	HD11
	Range 01000 thru 99929	1/1/1901	Budget Code	Range 01000 thru 99929	Budget Code	Y	2000	REF	REF04



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

320 Sixth Avenue, North - 8th Floor
NASHVILLE, TENNESSEE 37243-0057
615-741-2564

Rep. Charles Curtiss, Chairman
Representatives

Curt Cobb Donna Rowland
Curtiss Johnson David Shepard
Gerald McCormick Curry Todd
Mary Pruitt Eddie Yokley
Craig Fitzhugh, *ex officio*
Speaker Jimmy Naifeh, *ex officio*

Sen. Douglas Henry, Vice-Chairman
Senators

Doug Jackson Reginald Tate
Bill Ketron Jamie Woodson
Paul Stanley
Randy McNally, *ex officio*
Lt. Governor Ron Ramsey, *ex officio*

M E M O R A N D U M

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Charles Curtiss, Chairman, Fiscal Review Committee
Bill Ketron, Chairman, Contract Services Subcommittee

CC
BK

DATE: March 3, 2007

SUBJECT: **Contract Comments**
(Contract Services Subcommittee Meeting 2/26/07)

RFS#s: 317.86-034; 317.86-030; 317.86-032; 317.86-020

Department: Finance & Administration/ Insurance Administration
Contractors: Union Security Insurance (pre-paid dental); Connecticut General Life (HMO/Nashville area); Connecticut General Life (HMO/Memphis area); Connecticut General Life (POS/Middle region); Connecticut General Life (POS/West region); Connecticut General Life (POS/East region); and MedAmerica Insurance Company (long term care insurance).

Summary: These amendments require the vendors to participate in meetings and take other necessary actions for a smooth transition to the Edison program (ERP). No additional costs to the State and no extensions of the contract terms.

After review, the Fiscal Review Committee voted recommend approval of the contract amendments.

cc: Mr. Richard Chapman, Director, Insurance Administration
Mr. Robert Barlow, Director, Office of Contracts Review



RECEIVED

FEB 20 2007

FISCAL REVIEW

STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
INSURANCE ADMINISTRATION

312 Eighth Avenue North
Suite 2600 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243
FAX (615) 253-8556

Dave Goetz
COMMISSIONER

Richard Chapman
EXECUTIVE DIRECTOR

MEMORANDUM

To: James White, Executive Director, Fiscal Review Committee

From: John G. Anderson, Director of Public Sector Plans 

Date: February 15, 2007

RE: Amendment to Transition Contractors from TIS system to ERP system

Please find attached a Non-Competitive Amendment request to add language to the existing contract with Union Security Insurance Company signed by Commissioner M. D. Goetz, Jr. The base contract is included as is a draft of the amendment created to address the transition from the Tennessee Insurance System (TIS) targeted for replacement by the State's Enterprise Resource Planning (ERP) system, operating under the name of Edison on December 31, 2007. Start up time is required for the Contractor to attend meetings on this project and to become acquainted with the requirements of the new data interface in order to be able to continue to receive health plan enrollment information from the state.

As the TIS system will no longer be available, the transition to Edison is required. The Division of Insurance Administration is seeking to amend this contract to ensure a smooth transition from the existing system to the new system with sufficient time to work through any potential barriers prior to the implementation date of December 31, 2007. This amendment does not require an extension of the contract term or additional cost to the State.

Thank you for your consideration of this request.

C O N T R A C T S U M M A R Y S H E E T

8-8-05

RFS # 317.86-034	Contract # FA-06-16585- 61
State Agency Finance and Administration	State Agency Division Insurance Administration
Contractor Name Union Security Insurance Company	Contractor ID # (FEIN or SSN) <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 81-0170040

Service Description Prepaid Dental Insurance coverage.			
Contract Begin Date 1-1-06	Contract End Date 12-31-08	SUBRECIPIENT or VENDOR? vendor	CFDA #

Mark, if Statement is TRUE						
<input checked="" type="checkbox"/> Contractor is on STARS as required			<input checked="" type="checkbox"/> Contractor's Form W-9 is on file in Accounts as required			
Allotment Code 317.86	Cost Center 60	Object Code 907	Fund 55, 56, 58	Funding Grant Code	Funding Subgrant Code	
FY	State	Federal	EA	Interdepartmental	Other	TOTAL Contract Amount
2006						\$13,500,000
2007						600,000
2008						600,000
2009						300,000
TOTAL						\$15,000,000

COMPLETE FOR AMENDMENTS ONLY			State Agency Fiscal Contact & Telephone #		
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	John Anderson William R. Snodgrass Tennessee Tower, 13 th Floor 615-741-8642 State Agency Budget Officer Approval 		
FY: 2006	\$13,500,000	RECEIVED			
FY: 2007	600,000				
FY: 2008	600,000	AUG 30 2007			
FY: 2009	300,000	FISCAL REVIEW			
TOTAL	\$15,000,000		Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)		
End Date	12-31-08	12-31-08			

Contractor Ownership					
<input type="checkbox"/> African American	<input type="checkbox"/> Disabled	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business	<input checked="" type="checkbox"/> NOT minority/disadvantaged	
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> OTHER minority/disadvantaged—		

Contractor Selection Method					
<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input type="checkbox"/> Alternative Competitive Method			
<input type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Government	<input type="checkbox"/> Other			

Procurement Process Summary					

MAY - 9

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 2007 MAY - 1 AM 10 52
 COMPTROLLER'S OFFICE
 OFFICE OF
 MANAGER SERVICES

**AMENDMENT ONE
TO CONTRACT NUMBER FA-06-16585-00**

This contract, by and between the State of Tennessee, State, Local Education and Local Government Insurance Committees, hereinafter referred to as the State, and Union Security Insurance Company, hereinafter referred to as the Contractor, is hereby amended as follows:

1. Delete Section E.2 Communications and Contacts in its entirety and insert the following in its place:

E.2 Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State: Marlene D. Alvarez, Manager
of Procurement and Contracting
Tennessee Department of Finance &
Administration
Division of Insurance Administration
312 Eighth Ave. No., 26th Floor
WRS Tennessee Tower
Nashville, TN 37243-0295
Phone: 615-253-8358
Fax: 615-253-8556
Email: marlene.alvarez@state.tn.us

The Contractor:
Union Security Insurance Company
Kim Reese, Director of Marketing
3595 Grandview Parkway, Suite 150
Birmingham, AL 35243
Phone: 205-909-5898
Fax: 205-909-5224
Email Address: kim.reese@assurant.com

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

2. Add the following as Section A.1.3.8 and renumber any subsequent sections as necessary.

A.1.3.8 The Tennessee Insurance System (TIS) is targeted for replacement by the State's Enterprise Resource Planning (ERP) system (operating under the name Edison) on December 31, 2007. This date is subject to change at the State's discretion. The Contractor, in support of this transition, will be required to:

- participate in meetings (phone or on-site), if any, intended for the purpose of planning for the transition and
- convert its electronic data interface with TIS, the Weekly Eligibility Update (Section A.1.3.2.1), the Quarterly Enrollment Data Reconciliation (Section A.1.3.2.2), and the State of Tennessee Enrollment Data Match (Section A.1.3.3), to the new Edison HIPAA compliant formats and procedures prior to the Edison "go-live" date.

The other terms and conditions of this contract not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF:

UNION SECURITY INSURANCE COMPANY:

^{VR}
~~J. MARC WARRINGTON, SENIOR VICE PRESIDENT - SALES~~

DATE

Kimberly Reese

04-23-07

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY

KIMBERLY R. REESE, 2ND VP, RISK

STATE OF TENNESSEE,
STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE,
LOCAL GOVERNMENT INSURANCE COMMITTEE:

M. D. Goetz Jr.

4-27-07

M. D. GOETZ, JR., CHAIRMAN

DATE

of MOA

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M. D. Goetz Jr.

APR 30 2007

M. D. GOETZ, JR., COMMISSIONER

DATE

COMPTROLLER OF THE TREASURY:

John G. Morgan

5/3/07

JOHN G. MORGAN, COMPTROLLER OF THE TREASURY

DATE

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration
Date:

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.

1) RFS #	317.86-034		
2) State Agency Name :	Finance & Administration		
EXISTING CONTRACT INFORMATION			
3) Service Caption :	Prepaid dental insurance coverage.		
4) Contractor :	Union Security Insurance Company		
5) Contract #	FA-06-16585-00		
6) Contract Start Date :	January 1, 2006		
7) <u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	December 31, 2008		
8) <u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$15,000,000		
PROPOSED AMENDMENT INFORMATION			
9) <u>Proposed</u> Amendment #	01		
10) <u>Proposed</u> Amendment Effective Date : <small>(attached explanation required if date is < 60 days after F&A receipt)</small>	May 1, 2008		
11) <u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	December 31, 2008		
12) <u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$15,000,000		
13) Approval Criteria : <small>(select one)</small>	<input checked="" type="checkbox"/>	use of Non-Competitive Negotiation is in the best interest of the state	
	<input type="checkbox"/>	only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :			
To revise the data interface from the Tennessee Insurance System (TIS) to the State's Enterprise Resource Planning (ERP) system, operating under the name Edison and to be HIPAA compliant.			
15) Explanation of Need for the Proposed Amendment :			

The TIS system is targeted to be phased out of use by December 31, 2007.

16) Name & Address of Contractor's Current Principal Owner(s) :
(not required if proposed contractor is a state education institution)

Union Security Insurance Company, 8130 Baymeadows Way West, Suite 302, Jacksonville, FL 32256

17) Documentation of Office for Information Resources Endorsement :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

18) Documentation of Department of Personnel Endorsement :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

19) Documentation of State Architect Endorsement :
(required only if the subject service involves construction or real property related services)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

There is not a need to procure another vendor, rather the State is seeking through this amendment to ensure all data interface requirements are met by the vendor.

21) Justification for the Proposed Non-Competitive Amendment :

This amendment is necessary in order for the data interface to be current with the new system and to be HIPAA compliant.

REQUESTING AGENCY HEAD SIGNATURE & DATE :

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)



Agency Head Signature

2/19/07

Date

CONTRACT SUMMARY SHEET

8-8-05

RFS # 317.86-034	Contract # tbd FA-06-16585-00
State Agency F&A	State Agency Division Insurance Administration - Paul Hauser (1-9896)
Contractor Name Union Security Insurance Company	Contractor ID # (FEIN or SSN) <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 81-0170040

Service Description
Prepaid Dental Insurance coverage.

F:\Contracts\VENORS\Assurant - Prepaid 2005\Summary\summary (1-1-06).doc

Contract Begin Date 1-1-06	Contract End Date 12-31-08	SUBRECIPIENT or VENDOR? vendor	CFDA #
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Mark, if Statement is TRUE

Contractor is on STARS as required Contractor's Form W-9 is on file in Accounts as required

Allotment Code 317.86	Cost Center 60	Object Code 907	Fund 55, 56, 58	Funding Grant Code	Funding Subgrant Code
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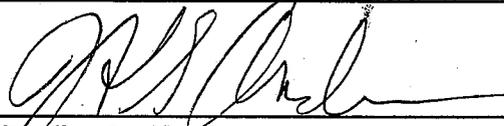
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2006			\$13,500,000		\$13,500,000
2007			600,000		600,000
2008			600,000		600,000
2009			300,000		300,000
TOTAL:			\$15,000,000		\$15,000,000

— COMPLETE FOR AMENDMENTS ONLY —		
FY	Base Contract & Prior Amendments	THIS Amendment ONLY
FY: 2006	\$13,500,000	
FY: 2007	600,000	
FY: 2008	600,000	
FY: 2009	300,000	
TOTAL:	\$15,000,000	
End Date:	12-31-08	

State Agency Fiscal Contact & Telephone #

John Anderson
William R. Snodgrass TN Twr, 13th FL
615-741-8642

State Agency Budget Officer Approval



Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

Contractor Ownership

African American
 Disabled
 Hispanic
 Small Business
 NOT minority/disadvantaged
 Asian
 Female
 Native American
 OTHER minority/disadvantaged—

Contractor Selection Method

RFP
 Competitive Negotiation
 Alternative Competitive Method
 Non-Competitive Negotiation
 Government
 Other

Procurement Process Summary

PROCESSED

NOV 18 2005

DIRECTOR OF ACCOUNTS

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 MAHARAJA
 OFFICE OF
 CONTRACT
 MANAGEMENT SERVICES

**CONTRACT BETWEEN THE
STATE OF TENNESSEE
STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE
LOCAL GOVERNMENT INSURANCE COMMITTEE
AND
UNION SECURITY INSURANCE COMPANY**

This Contract, by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, Local Government Insurance Committee, hereinafter referred to as the "State" and **Union Security Insurance Company**, hereinafter referred to as the "Contractor," is for the provision of an optional Prepaid Dental Plan, as further defined in the "SCOPE OF SERVICES."

The Contractor is a for-profit corporation. The Contractor's address is:

**2323 Grand Boulevard
Kansas City, MO 64108-2670**

The Contractor's place of incorporation or organization is the State of Iowa.

The Contractor's Federal Employee Identification Number (FEIN) is **81-0170040**.

A SCOPE OF SERVICE

A.1 SERVICES PROVIDED BY THE CONTRACTOR

The Contractor agrees to provide a Prepaid Dental Plan option to employees and survivors of the State of Tennessee, and their eligible dependents (hereafter referred to as "participants" or "members"), who elect to participate in the Prepaid Dental Plan. This option will be delivered in accordance with the clarifications of Request for Proposals (RFP) 317.86-034 (attached hereto by reference); RFP 317.86-034 (attached hereto); the Contractor's Technical proposal in response to RFP 317.86-034 (attached hereto), the Contractor's Cost Proposal in response to RFP 317.86-034 (attached hereto) and this agreement (collectively referred to as the "Contract").

Specifically, the Prepaid Dental Organization Plan shall consist of the following components:

A.1.1 PROVIDER NETWORK

- A.1.1.1** The Contractor shall establish and administer a Prepaid Dental Plan network of dental providers as defined in the RFP hereto attached, for participants, in accordance with this contract. The Contractor further agrees to secure under contract, participation by General Dentist and Dental Specialists (i.e. Oral Surgeons, Orthodontists, Endodontists, Periodontist and Pedodontists) as needed and necessary to continuously provide high quality, cost effective services, adequate distribution, and reasonable access from a geographic and service standpoint throughout the State of Tennessee during the term of this contract. The State shall review network accessibility and shall inform the Contractor, in writing, of any deficiencies it identifies which deny reasonable access to dental care. The Contractor shall respond to the State, in writing, as to the action it intends to take to correct said deficiencies.
- A.1.1.2** The Contractor shall maintain the capability to respond to inquiries from participants concerning participation by dentists in the network, by specialty by county. Such capabilities shall be by toll-free telephone and web based provider search capability.
- A.1.1.3** The Contractor shall contract only with dentists who are duly licensed to provide such dental services. In addition, the Contractor shall require that all providers maintain all licenses and accreditations in existence at the time of selection as a network provider and in order to continue their status as a network provider. The Contractor shall perform on a continuous basis, appropriate provider credentialing that assures the quality of network providers. Re-credentialing of network providers must be performed at least every three years.
- A.1.1.4** The Contractor shall maintain communication with providers to ensure that the providers are familiar

with the Prepaid Dental Plan benefits and procedural requirements. There must be provisions for face-to-face contact in addition to telephone and written contact for the purpose of monitoring provider conformance with plan standards, quality requirements and prepaid payment provisions.

- A.1.1.5 The Contractor shall notify all network providers of and enforce compliance with all provisions of the plan.
 - A.1.1.6 The Contractor shall notify affected participants in writing when a primary dentist terminates or is terminated from the provider network.
 - A.1.1.7 The Contractor shall cooperate fully with audits the State may conduct of management to include clinical processes and outcomes, internal audits, provider networks, and any other aspect of the program the State deems appropriate (at the State's expense). The State may select any qualified persons or organization to conduct the audits. To the extent allowed by applicable law, the State agrees that persons or organizations conducting audits of the Contractor shall be prohibited from disclosing confidential patient records or proprietary or confidential information reasonably designated as such by the Contractor.
 - A.1.1.8 The Contractor shall maintain an internal quality assurance plan .The Contractor shall provide the State with a summary of the plan indicating areas addressed, established criteria and standards and those methods employed to evaluate results.
- A.1.2 ADMINISTRATIVE SERVICES**
- A.1.2.1 The Contractor shall administer the Plan based on the State's eligibility requirements and in accordance with the Group Contract/Certificate for Prepaid Dental Benefits and Member Procedure Code Co-payment Schedules for Participating General Dentists and Specialists (Contract Attachment C). See also Contract Section C.4.
 - A.1.2.2 The Contractor shall provide Orthodontic benefits with no age restrictions or dollar maximums to Prepaid Plan members at a 25% discount of the network Specialist's normal fees. The State also expects the selected vendor to demonstrate adequate monitoring of provider billing practices for orthodontic care to ensure that employees are being charged the appropriate fee.
 - A.1.2.3 The Contractor may charge the plan members a co-pay no greater than \$10.00 for an Office Visit – during regularly scheduled hours, and \$20.00 for a missed appointment where the member or their representative did not provide notice of cancellation 24 hours before the scheduled appointment.
 - A.1.2.4 The Contractor shall maintain an electronic data processing (EDP) environment that supports the requirements of RFP #317.86-034. The Contractor must have a disaster recovery plan for restoring the application software and current master files and for hardware backup if the production systems are destroyed.
 - A.1.2.5 The Contractor shall confirm eligibility of each member, on the basis of eligibility information provided by the State that applies to the period during which the charges/services were incurred. The Contractor shall provide services to participants who elect the Prepaid Dental Plan option; participation in said option shall be for twelve (12) months or until the State's next annual enrollment period, which ever occurs first; unless the participant's coverage has been terminated. Upon evidence of insufficient provider network coverage, judged at the State's sole discretion, members shall be allowed to transfer coverage to the State-sponsored Preferred Dental Plan option.
 - A.1.2.6 To ensure the efficient and timely provision of benefits and the adequate capture of data, the Contractor shall provide participants with identification cards. The cost of these items shall be borne by the Contractor. The State reserves the authority to review any forms and identification cards prior to issuance for use. Contractor shall update eligibility and shall mail participant identification cards to members' home addresses no later than fourteen (14) days from receipt of the new enrollment or change in enrollment.
 - A.1.2.7 The Contractor shall maintain a full service staff to assist with inquiries, correspondence, unusual

situations or problems, and complaints. The Contractor shall answer, in writing, within ten (10) calendar days all written inquiries from participants concerning the status of claims submitted, all benefits available through the benefit option, its clarifications and revisions, and other relevant information requested.

- A.1.2.8 The Contractor shall establish a formal grievance procedure, for participants and providers to appeal decisions in regard to administration of the plan, to medical necessity determinations and to disputes that may arise in the administration of the program. The Contractor shall provide the State with two (2) written copies of this grievance procedure, and the State reserves the right to review the procedure and make recommendations, where appropriate.
- A.1.2.9 Upon termination of this contract, all Contractor obligations associated with the processing and payment of claims – for all claims incurred within the term of the contract – shall survive such termination.
- A.1.2.10 The Contractor shall respond in writing to all inquiries by the Division of Insurance Administration within two (2) weeks after receipt of said inquiry. A written response to the State's inquiry, by the Contractor, is required. In cases where additional information to answer the State's inquiry is required, the Contractor shall notify the State immediately as to when the response can be furnished to the State.
- A.1.2.11 The Contractor shall maintain statewide, toll-free phone lines for the exclusive purpose of participant inquiries. These phone lines shall be operated, at a minimum, from 7:00 AM to 4:30 PM, Central Time, on all normal working days of the Contractor.
- A.1.2.12 The Contractor shall provide an email environment that meets the standards for privacy and security required by HIPAA, for the purpose of communication of sensitive and/or personal health information between itself and the State.
- A.1.2.13 The Contractor shall designate an individual with overall responsibility for the State-sponsored benefit. This person shall be at the Contractor's executive level and shall designate the following positions to interface directly with the State: (1) Program Director (external and marketing operations); and (2) Program Director (internal and administrative functions). Said designees shall be responsible for the coordination and operation for all aspects of the contract.
- A.1.2.14 The Contractor, at the request of either party, shall meet with representatives of the State periodically, but no less than quarterly, to discuss any problems and/or progress on matters outlined by the State. The Contractor shall have in attendance one of its Program Directors and, as necessary, representatives from its organizational units, to respond to topics indicated by the State's agenda.
- A.1.2.15 The Contractor shall assist the State in the education and dissemination of information regarding the benefit. This assistance shall include but not be limited to:
- written information;
 - audio/video presentations;
 - attendance at meetings, workshops, and conferences; and
 - training of State Insurance personnel in administration of benefits and claims adjudication process.

Any on-site visits to agencies covered under this plan shall require the prior approval of the State.

- A.1.2.16 The Contractor shall, in consultation with and following approval by the State, print and distribute all: Certificates of Group Benefits, Dentist Selection forms, member handbooks, policies, identification cards, letters, administrative forms, manuals, provider directories, and annual employee benefit booklets. The cost of printing and distributing all of the above listed items shall be the responsibility of the Contractor. This provision excludes enrollment forms, which are the State's responsibility.

The number of member handbooks and other relevant information to be printed shall be in sufficient quantities for distribution to the State's enrolled members, plus Fifteen percent (15%) for distribution to new hires.

At the discretion of the State, the network provider directory must include provider name, specialty, address and phone number, organized in geographic areas as small as counties. Directory information shall be updated and delivered to participants' homes at least annually, unless the State elects not to have them distributed. Upon mutual agreement of the State and the Contractor, a means other than printing may be utilized to inform members of the network of providers.

Failure to have any of the above communications materials approved by the State before release shall result in a monetary assessment for non-compliance of \$500.00 per occurrence. The State shall notify the Contractor of any such occurrence.

A.1.2.17 The Contractor shall provide advice and assistance with regard to questions regarding effective dates, benefit levels, program costs, premiums and cessation of coverage as requested by the State, individual participants, and providers.

A.1.2.18 The Contractor shall perform, following review and approval by the State, customer satisfaction surveys. The survey shall be conducted no more frequently than once during each calendar year at a time mutually agreed upon by the State and the Contractor and shall involve a statistically valid random sample of State participants. Based upon the results of the survey, the Contractor and the State shall jointly develop an action plan to correct problems or deficiencies identified through this activity.

A.1.3 DATA AND SPECIFIC REPORTING REQUIREMENTS

The Contractor shall:

A.1.3.1 Maintain an electronic data interface - via internet access using IBM's Host on Demand software, provided by the State - with the State's Tennessee Insurance System (TIS), for the purpose of accessing and processing State member enrollment information. Processing requirements are detailed in Appendix 7.6 of RFP #317.86-034. The Contractor is responsible for providing the hardware and software necessary for access.

Furthermore, the Contractor must adhere to the privacy and security regulations required by the Health Insurance Portability & Accountability Act of 1996 (HIPAA).

A.1.3.1.1 Notwithstanding the requirement to maintain enrollment data, the Contractor is not authorized to initiate data changes to the system without the State's approval, as detailed below. This prohibition shall include, but not be limited to: initiation, termination, and/or changes of coverage.

A.1.3.2 Maintain, in its computer system, in-force enrollment records of all State plan participants. Specific additional obligations, relative to this requirement, are the following:

A.1.3.2.1 **Weekly Eligibility Update:** To ensure that State plan participants' eligibility records remain accurate and complete, the Contractor commits to the following:

- to accept, via secure medium (to be mutually agreed by the Contractor and the State) weekly eligibility data electronic transfer files from the State, in the State's proprietary transaction formats, for participants who are maintained in the State's TIS system (files will include recent adds, changes, and terminations; see Appendix 7.6 of RFP #317.86-034);
- to complete each of the following tasks by the indicated deadline:

Required Task	Deadline	Non-compliant amount for missed deadline
1. systematically process and update, via computer programs, the Contractor's database, utilizing the State's weekly eligibility file records	within three (3) <u>working</u> days of receipt of the files from the State	\$100.00 per day for the first (1 st) and second (2 nd) working days out of compliance; \$500.00 per working day thereafter
2. resolve all mismatches identified by the processing of the weekly files; "mismatches" are defined as: Any difference of values between the State's and the Contractor's databases.	within six (6) <u>working</u> days of receipt of the files from the State	\$100.00 per day for the first (1 st) and second (2 nd) working days out of compliance; \$500.00 per working day thereafter

- and to complete and submit to the State a *Weekly Eligibility Update Report* (page 17 of Appendix 7.6 of RFP #317.86-034), within seven (7) working days of receipt of the weekly files. Submission of this report shall be by a mutually agreed medium.

The Contractor shall also require of its subcontractors, as applicable, maintenance of Weekly Eligibility Updates.

NOTE: Section A.1.3.2.1 shall be monitored by the State as Performance Guarantee #10.a. (see Contract Attachment A).

A.1.3.2.2 Quarterly Enrollment Data Reconciliation: To ensure that State plan participants' enrollment records remain accurate and complete, the Contractor commits to the following:

- to accept, via secure medium (to be mutually agreed by the Contractor and the State) quarterly eligibility data electronic transfer files from the State, in the State's proprietary transaction formats, for participants maintained in the State's TIS system (see Appendix 7.6 of RFP #317.86-034);
- to complete each of the following tasks by the indicated deadline:

Required Task	Deadline	Non-compliant amount for missed deadline
1. systematically compare, via computer programs, the State's full file of State enrollees quarterly to the Contractor's database of State members	within five (5) <u>working</u> days of receipt of the file from the State	\$100.00 per day for the first (1 st) and second (2 nd) working days out of compliance; \$500.00 per working day thereafter
2. resolve all mismatches identified by the reconciliation processing of the quarterly files; "mismatches" are defined as: Any difference of values between the State's and the Contractor's databases.	within ten (10) <u>working</u> days of receipt of the files from the State	\$100.00 per day for the first (1 st) and second (2 nd) working days out of compliance; \$500.00 per working day thereafter

- and to complete and submit to the State a *Quarterly Eligibility Data Reconciliation Report* (page 18 of Appendix 7.6 of RFP #317.86-034), within eleven (11) working days of receipt of the quarterly files. Submission of this report shall be by a mutually agreed medium.

The Contractor shall also require of its subcontractors maintenance of Quarterly Enrollment Updates.

NOTE: Section A.1.3.2.2 shall be monitored by the State as Performance Guarantee #10.b. (see Contract Attachment A).

A.1.3.3 State of Tennessee Enrollment Data Match: Upon request by the State, not to exceed two (2) times annually, the Contractor shall submit to the State its full file of State enrollees, by which the State will conduct a data match against the State's TIS database. The purpose of this data match will be to determine the extent to which the Contractor is maintaining its data base of State members, as required by **Sections A.1.3.2.1 and A.1.3.2.2.**

Data will be sent by the Contractor to the State via tape or electronic transmission in a format specified by the State. Failure by the Contractor to submit records, and in the proper format, within fourteen (14) calendar days of the request from the State, shall result in a non-compliant amount of \$5,000 per request.

Results of this match will be communicated to the Contractor, including any requirements – and associated timeframes – for resolving the discrepancies identified by the data match. Failure by the Contractor to resolve the discrepancies, within the specified timeframe(s) will result in a non-compliant amount to the Contractor of \$5,000.

For the purpose of the requirements of this section, "mismatches" are defined as: Any difference of values between the State's and the Contractor's databases.

A.1.3.4 Maintain a duplicate set of all records relating to the benefit payments in electronic medium, usable by the State and Contractor for the purpose of disaster recovery. Such duplicate records are to be stored

at a secure fire, flood, and theft-protected facility located away from the storage location of the originals. The duplicate data processing records shall be updated, at a minimum, on a daily basis and retained for a period of 60 days from the date of creation. Upon notice of termination or cancellation of this contract, the original and the duplicate data processing records medium, and the information they contain shall be conveyed to the State on or before the effective date of termination or cancellation.

- A.1.3.5 Reconcile, within ten (10) working days of receipt, payment information provided by the State. Upon identification of any discrepancies, the Contractor shall immediately advise the State.
- A.1.3.6 Performance Guarantees. The Contractor agrees to be bound by the provisions contained in Contract Attachment A, Performance Guarantees, and to pay amounts due upon notification and demonstration of Contractor non-compliance by the State.
- A.1.3.7 Performance Guarantees under Contract Extension. If this Contract is extended, per Section B.2, the Performance Guarantees shall remain unchanged for the years extended.

A.1.4 SUBMIT MANAGEMENT REPORTS

- A.1.4.1 The Contractor shall provide the State with Management Reports, as described in the Contractor's proposal, attached hereto and incorporated by reference (see also Contract Attachment B). Management Reports shall be submitted on a quarterly basis, as well as annually, with program year aggregate totals. Reporting shall continue as required for a period following termination of the contract in order to include the termination year. These reports shall be submitted in an electronic format agreed upon between the Contractor and the State.
- A.1.4.2 Generate and deliver to the State, within five working days of the end of each contract quarter, a Quarterly Network Changes Report (format to be mutually agreed).
- A.1.4.3 Annually provide the State with a GeoNetworks® report showing service and geographic access (see **Contract Attachment A: Performance Guarantee #9**). The State shall review the network structure and shall inform the Contractor in writing of any deficiencies the State considers that would deny reasonable access to dental care. The State and Contractor shall then mutually develop a plan of action to correct said deficiencies within sixty (60) days from the date the Contractor was first notified of the problem.

A.1.5 PERFORMANCE REQUIREMENTS

The Contractor is responsible for any monetary payment for not meeting compliance requirements as contained in the following contract sections:

- A.1.2.16 – Communications approval
- A.1.3.2.1 – Weekly Eligibility Update
- A.1.3.2.2 – Quarterly Enrollment Data Reconciliation
- A.1.3.3 – State of Tennessee Enrollment Data Match
- A.1.3.6 – Performance Guarantees
- A.1.3.7 – Performance- Guarantees under Contract Extension

A.2 SERVICES PROVIDED BY THE STATE

- A.2.1 The State shall provide eligibility records. These records shall include changes in participants' status and information concerning covered dependents. The Contractor's computer system shall be compatible with and/or have the capability to utilize the eligibility information provided by the State.
- A.2.2 The State shall provide on-line access, or other access acceptable to the Contractor, to all eligibility information maintained by the State and such information required to interpret such information. The Contractor, at its expense, will provide and maintain the necessary phone lines, modem, software, CRTs and other equipment required for this purpose.

B CONTRACT TERM:

- B.1 Contract Term. This Contract shall be effective for the period commencing on January 1, 2006 and

ending on December 31, 2008. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

- B.2 Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than Five (5) years, provided that the State notifies the Contractor in writing of its intention to do so at least Two Hundred Seventy (270) days prior to the contract expiration date. An extension of the term of this Contract will be effected through an amendment to the Contract. If the extension of the Contract necessitates additional funding beyond that which was included in the original Contract, the increase in the State's maximum liability will also be effected through an amendment to the Contract and shall be based upon rates provided for in the original contract.

C PAYMENT TERMS AND CONDITIONS:

- C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Fifteen Million Dollars (\$15,000,000.00). The Premium Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Premium Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the Premium Rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

- C.2 Compensation Firm. The Premium Rates and the Maximum Liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.
- C.3 Payment Methodology. The Contractor shall be compensated based on the Premiums herein for monthly service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of monthly service defined in Section A. The Contractor shall be compensated based upon the following monthly premiums:

Coverage Option	Proposer's Guaranteed Monthly Premiums		
	Calendar Year 2006	Calendar Year 2007	Calendar Year 2008
Employee	\$8.90	\$8.90	\$8.90
Employee + One	15.78	15.78	15.78
Employee + Family	21.70	21.70	21.70

The Contractor shall submit monthly invoices, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed monthly service for the amount stipulated.

- C.3.1 Payment under Term Extension. If this Contract is extended per Section B.2, any increase in payment to the Contractor under Section C.3, Payment Methodology, shall be no greater than the percentage increase from year two (2007) to year three (2008), for each additional contract year.
- C.4 Member Cost Amounts. The Contractor is responsible for maintaining the plan Member Cost Amounts contained in Contract Attachment C during the term of this Contract. See also Contract Section A.1.2.1.
- C.4.1 Member Costs Amounts under Contract Extension. If this Contract is extended, per Section B.2, the increase in plan Member Cost Amounts, for each additional year, if requested by the Contractor, may

increase by the Consumer Price Index, up to Three and One-Half percent (3.5%) for the calendar year prior to the termination year.

- C.5 Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.
- C.6 Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.
- C.7 Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this contract, not to constitute proper remuneration for compensable services.
- C.8 Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9 Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form". This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.

D STANDARD TERMS AND CONDITIONS:

- D.1 Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2 Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3 Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least Ninety (90) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4 Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5 Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract pertaining to "Conflicts of Interest" and "Nondiscrimination" (sections D.6. and D.7.). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6 Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts

in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

- D.7 Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8 Records. The Contractor shall maintain documentation for all charges against the State under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.9 Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.10 Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.11 Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.12 Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.
- D.13 State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.14 Force Majeure. The obligations of the parties to this contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.
- D.15 State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.16 Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under **Tennessee Code Annotated**, Sections 9-8-101 through 9-8-407.
- D.17 Completeness. This Contract is complete and contains the entire understanding between the parties

relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

- D.18 Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.19 Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E SPECIAL TERMS AND CONDITIONS:

- E.1 Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2 Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State: Paul Hauser, RFP Coordinator
Tennessee Department of Finance & Administration
Division of Insurance Administration
312 Eighth Ave. No., 15th Floor
WRS Tennessee Tower
Nashville, TN 37243-0295
Phone: 615-741-9896
Fax: 615-741-8196
Email: paul.c.hauser@state.tn.us

The Contractor:
Union Security Insurance Company
Lilli Moniot, Director of Marketing
8130 Baymeadows Way West, Suite 302
Jacksonville, FL 32256
Phone: 904-380-3962
Fax: 904-730-2850
Email Address: lilli.moniot@assurant.com

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

- E.3 Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4 Breach. A party shall be deemed to have breached the Contract if any of the following occurs:
— failure to perform in accordance with any term or provision of the Contract;
— partial performance of any term or provision of the Contract;
— any act prohibited or restricted by the Contract, or
— violation of any warranty.

For purposes of this contract, these items shall hereinafter be referred to as a "Breach."

- a. Contractor Breach— The State shall notify Contractor in writing of a Breach.
(1) In event of a Breach by Contractor, the state shall have available the remedy of Actual Damages and any other remedy available at law or equity.

(2) Contract Termination— In the event of a Breach, the State may terminate the Contract immediately or in stages. The Contractor shall be notified of the termination in writing by the State. Said notice shall hereinafter be referred to as Termination Notice. The Termination Notice may specify either that the termination is to be effective immediately, on a date certain in the future, or that the Contractor shall cease operations under this Contract in stages. In the event of a termination, the State may withhold any amounts which may be due Contractor without waiver of any other remedy or damages available to the State at law or at equity. The Contractor shall be liable to the State for any and all damages incurred by the State and any and all expenses incurred by the State which exceed the amount the State would have paid Contractor under this Contract. Contractor agrees to cooperate with the State in the event of a Contract Termination or Partial Takeover.

b. State Breach— In the event of a Breach of contract by the State, the Contractor shall notify the State in writing within 30 days of any Breach of contract by the State. Said notice shall contain a description of the Breach. Failure by the Contractor to provide said written notice shall operate as an absolute waiver by the Contractor of the State's Breach. In no event shall any Breach on the part of the State excuse the Contractor from full performance under this Contract. In the event of Breach by the State, the Contractor may avail itself of any remedy at law in the forum with appropriate jurisdiction; provided, however, failure by the Contractor to give the State written notice and opportunity to cure as described herein operates as a waiver of the State's Breach. Failure by the Contractor to file a claim before the appropriate forum in Tennessee with jurisdiction to hear such claim within one (1) year of the written notice of Breach shall operate as a waiver of said claim in its entirety. It is agreed by the parties this provision establishes a contractual period of limitations for any claim brought by the Contractor.

E.5 Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract document and its attachments
- b. All Clarifications and addenda made to the Contractor's Proposal
- c. Request for Proposals #317.86-034 and its associated amendments
- d. Technical Specifications provided to the Contractor
- e. The Contractor's Proposal in response to RFP #317.86-034.

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.6 Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.7 HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.
- Contractor warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract.
 - Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the contract so that both parties will be in compliance with HIPAA.
 - The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA. This provision shall not apply if information received by the State under this contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.
- E.8 Date/Time Hold Harmless. As required by *Tennessee Code Annotated*, Section 12-4-118, the contractor shall hold harmless and indemnify the State of Tennessee; its officers and employees; and any agency or political subdivision of the State for any breach of contract caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort or otherwise process dates or times.
- E.9 Printing Authorization. The Contractor agrees that no publication coming within the jurisdiction of *Tennessee Code Annotated*, Section 12-7-101, et. seq., shall be printed unless a printing authorization number has been obtained and affixed as required by Tennessee Code Annotated, Section 12-7-103 (d).
- E.10 Public Funding Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Contractor relative to this Contract shall include the statement, "This project is funded under an agreement with the State of Tennessee." Any such notices by the Contractor shall be approved by the State.
- E.11 Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, et. seq., the law governing the Tennessee Consolidated Retirement System, provides that if a retired member returns to State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to the Tennessee Consolidated Retirement System the amount of retirement benefits the Contractor received from the Retirement System during the period of this Contract.
- E.12 Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it and its principals:
- are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State department or agency;
 - have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining attempting to obtain, or performing a public (Federal, State, or Local) transaction or grant under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or Local) with commission of any of the offenses detailed in section b. of this certification; and
 - have not within a three (3) year period preceding this Contract had one or more public transactions (Federal, State, or Local) terminated for cause or default.

IN WITNESS WHEREOF:

UNION SECURITY INSURANCE COMPANY:

J. Marc Warrington 10.24.05
J. Marc Warrington, Senior Vice President - Sales Date

STATE OF TENNESSEE
STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE
LOCAL GOVERNMENT INSURANCE COMMITTEE:

M. D. Goetz, Jr. 10-27-05
M. D. Goetz, Jr., Chairman Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

NOV 14 2005

M. D. Goetz, Jr. NOV 14 2005
M. D. Goetz, Jr., Commissioner Date

COMPTROLLER OF THE TREASURY:

John G. Morgan 11/15/05
John G. Morgan, Comptroller of the Treasury Date

**CONTRACT ATTACHMENT A
PERFORMANCE GUARANTEES**

1. Telephone Response Time	
Guarantee	95% of all calls requesting a member services representative will be answered in 30 seconds or less.
Definition	Response time is defined as the amount of time which elapses between the time a call is received into the phone system to the time a live member services representative answers the phone.
Non-compliance amount	\$ <u>250</u> for each full percentage point below the 95% compliance required. Quarterly guarantee
Measurement	Based on internal telephone support system reports. Measured quarterly, reported and reconciled annually through the life of the contract.
2. Member Satisfaction	
Guarantee	The level of overall customer satisfaction, which is measured annually by a State-approved Member Satisfaction Survey, will be 75% or greater in the first year of the Contract, 80% or greater in the second year, and 85% or greater in the third year.
Definition	As determined by responses to the following question: "All things considered, how satisfied are you with your current dental health plan services? Completely Satisfied, Very Satisfied, Somewhat Satisfied, Neither Satisfied Nor Dissatisfied, Somewhat Dissatisfied, Very Dissatisfied, Completely Dissatisfied."
Non-compliance amount	\$ <u>10,000</u> Annual.
Measurement	At least 75% of all respondents will indicate Completely, Very, or Somewhat Satisfied (80% and 85% in years two and three, respectively). Measured, reported, and reconciled annually through the life of the contract.
3. Management Reporting	
Guarantee	All quarterly management reports will be delivered by the 30th day subsequent to the end of each reporting period.
Definition	All quarterly management reports will be delivered by the 30 th day subsequent to the end of each reporting period.
Non-compliance amount	\$ <u>500</u> for every day that reports are late. Quarterly
Measurement	Measured quarterly, reconciled annually through the life of the contract.
4. Call Abandonment Rate	
Guarantee	Percentage of telephone callers that hang up before speaking to a "live" person will not exceed 5.0%.
Definition	Percentage of telephone callers that hang up before speaking to a "live" person will not exceed 5.0%.
Non-compliance amount	\$ <u>500</u> for each full percentage point greater than 5% of all calls. Quarterly
Measurement	Based on internal automated phone report system measured quarterly. Measured quarterly, reported, and reconciled annually through life of the contract.
5. Primary Dentist Turnover rate	
Guarantee	Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary will not exceed 15%.
Definition	Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary, divided by total number of dentists in network at beginning of period.
Non-compliance amount	\$ <u>10,000</u> if dental turnover rate exceeds 15% in any Contract Year.
Measurement	Measured, reported and reconciled annually through life of contract.
6. Communication	
Guarantee	100% of State approved member information will be distributed prior to annual transfer period (Oct. 15 - Nov. 15).
Definition	Dental option information necessary for annual transfer period.
Non-compliance amount	Should the above standard not be met, the total non-compliant amount shall be \$ <u>10,000</u> per year in which either standard is not met. Annually
Measurement	Measured approved and in the mail prior to October 1 st , reported, and reconciled annually through life of contract.

7. Identification Card Distribution		
Guarantee	Member ID cards must be distributed to at least 90% of members prior to December 20 th preceding the January 1 st start date for each year of the contract.	
Definition	(see above)	
Non-compliance amount	Should the above standard not be met, the total non-compliant amount shall be \$2000 per year in which the standard is not met	
Measurement	Measured, reported, and reconciled	
8. Tennessee Insurance System Interface		
Guarantee	Contractor's interface with the Tennessee Insurance System (TIS) will be fully operational by January 31, 2006.	
Definition	Fully operational with the TIS interface shall mean that electronic files received by the Contractor from the State of Tennessee via 3490 cartridge tape, email, Internet web posting, compact disc, or any other acceptable electronic medium will be processed and the data loaded directly into the Contractor's production database. The production database will be the source of reference for the Contractor's business processes, including but not limited to claims processing and customer service.	
Non-compliance amount	Should the TIS interface not be fully operational – as defined above – within the allotted time, the Contractor shall pay to the State of Tennessee a non-compliant amount of \$500 per day, for every day out of compliance, until the interface is fully operational.	
Measurement	Measure of compliance beginning upon the Contractor's declaration of readiness. To demonstrate compliance, the Contractor shall submit, on company letterhead, a written and signed "good faith" statement declaring its system is interfaced to the extent required, and indicating the date upon which compliance was met. Reconciliation of non-compliant amount, if any, shall be made upon receipt of the letter declaring compliance.	
9. Provider Network Accessibility		
Guarantee	As measured by the GeoNetworks [®] Provider & Facility Network Accessibility Analysis, the Contractor's provider network will assure that 95% of all members will have the Access Standard indicated.	
Definition	Provider Type	Access Standard
	General Dentists	1 provider within 30 miles
	Specialist Dentists	1 provider within 45 miles
Non-compliance amount	\$5,000 if EITHER of the above standards is not met, either individually or in combination.	
Measurement	Annual guarantee: Measured, reported and reconciled annually.	
10.a. Weekly Eligibility Update (see Contract Section A.1.3.2.1)		
Guarantee	All Weekly Eligibility file processing and mismatch deadlines will be met as detailed at A.1.3.2.1.	
Definition	See A.1.3.2.1.	
Non-compliance amount	See A.1.3.2.1.	
Measurement	Measured and reported weekly; reconciled annually.	
10.b. Quarterly Eligibility Data Reconciliation (see Contract Section A.1.3.2.2)		
Guarantee	All Quarterly Eligibility data processing and file mismatch resolution deadlines will be met as detailed at A.1.3.2.2.	
Definition	See A.1.3.2.2.	
Non-compliance amount	See A.1.3.2.2.	
Measurement	Measured and reported quarterly; reconciled annually.	

**Contract Attachment B
Quarterly Management Reporting Requirements**

As required by Contract Section A.1.4.1, the Contractor shall submit Management Reports by which the State can assess the Prepaid Dental Plan program costs and usage, as well as results in meeting the Performance Guarantee requirements as contained in Attachment A . Reports shall be submitted in hard copy medium. Management Reports shall include:

- 1) **Performance Guarantee Tracking**, as detailed at Contract Attachment A (each component to be submitted at the frequency indicated), shall include:
 - o Status report narrative
 - o Detail report on each performance measure by appropriate time period

2) **Summary Plan Information:**

Premium Level	Subscribers	Premium	Capitation	Claims Paid*
Employee				
Employee + 1				
Employee + Family				
Total				

* Supplement Payments to Specialists

- 3) **Quarterly Network Changes Update Report, displaying the following:**
 - o Present Network of Participating Providers by Specialty
 - o Additions to the Network by Name, Specialty and Location
 - o Terminations to the Network by Name, Specialty and Location
 - o Targeted areas for recruitment

Code	Procedure description	2006		2007		2008	
		Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
2330	Resin-one surface, anterior	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
2331	Resin-two surfaces, anterior	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
2332	Resin-three surfaces, anterior	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
2335	Resin-four+ surf or invl incisal angle(anterior)	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
2391	Resin-based composit-one surface, posterior	\$55.00	\$60.00	\$55.00	\$60.00	\$55.00	\$60.00
2392	Resin-based composit-two surface, posterior	\$70.00	\$75.00	\$70.00	\$75.00	\$70.00	\$75.00
2393	Resin-based composit-three surface, posterior	\$90.00	\$95.00	\$90.00	\$95.00	\$90.00	\$95.00
2394	Resin-based composit-four or more surface, posterior	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00
2530	Inlay-metallic-three or more surfaces	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00
2740	Crown-porcelain/ceramic substrate	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2750	Crown-porcelain fused to high noble metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2751	Crown-porc fused to predominantly base metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2752	Crown-porcelain fused to noble metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
2790	Crown-full cast high noble metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2791	Crown-full cast predominantly base metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2792	Crown-full cast noble metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2799	Provisional crown	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
2910	Recement inlay	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2920	Recement crown	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2930	Prefabricated stainless steel crown-primary	\$65.00	\$80.00	\$65.00	\$80.00	\$65.00	\$80.00
2931	Prefabricated stainless steel crown-permanent	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
2940	Sedative filling	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
2950	Core build-up, including any pins	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
2951	Pin retention/tooth, in addition to restoration	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
2952	Cast post and core in addition to crown	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
2954	Prefabricated post and core in addition to crown	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
2960	Labial veneer (laminare)-chairside	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
2962	Labial veneer (porcelain laminate)-laboratory	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
3110	Pulp cap-direct (excluding final restoration)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3120	Pulp cap-indirect (excluding final restoration)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3220	Therapeutic pulpotomy (excluding final rest)	\$20.00	\$40.00	\$20.00	\$40.00	\$20.00	\$40.00
3310	Root canal-anterior(excluding final restoration)	\$125.00	\$300.00	\$125.00	\$300.00	\$125.00	\$300.00

Code	Procedure Description	2006		2007		2008	
		Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
3320	Root Canal-Bicuspid(Excluding Final Restoration)	\$200.00	\$425.00	\$200.00	\$425.00	\$200.00	\$425.00
3330	Root Canal-Molar (Excluding Final Restoration)	\$250.00	\$600.00	\$250.00	\$600.00	\$250.00	\$600.00
3410	Apicoectomy/Periradicular Surgery- Anterior	\$50.00	\$75.00	\$50.00	\$75.00	\$50.00	\$75.00
4210	Gingivectomy Or Gingivoplasty-Per Quadrant	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
4211	Gingivectomy Or Gingivoplasty-Per Tooth	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
4240	Gingival Flap Procedure Including Root Planing Per Quadrant	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00
4241	Gingival Flap Procedure Including Root Planing Per Tooth	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
4260	Osseous Surgery Inc Flap Entry/Closure/Quad	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
4271	Free Soft Tiss Graft Proc(Incl Donor Site Surg)	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
4341	Perio Scaling And Root Planing-Per Quadrant	\$60.00	\$100.00	\$60.00	\$100.00	\$60.00	\$100.00
4910	Perio Maintenance Proc Following Active Therapy	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
5110	Complete Denture-Maxillary	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00
5120	Complete Denture-Mandibular	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00
5130	Immediate Denture-Maxillary	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00
5140	Immediate Denture-Mandibular	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00	\$365.00
5211	Maxillary Part Denture-Resin Base(Clasp/Rests)	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00	\$310.00
5213	Maxillary Part Denture-Metal Frame W/Resin Base	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
5214	Mandibular Part Denture-Metal Frame W/Resin Base	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
5510	Repair Broken Complete Denture Base	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
5520	Replace Miss/Brkn Teeth-Complete Denture/Tooth	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
5610	Repair Resin Denture Base	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5630	Repair Or Replace Broken Clasp, Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5640	Replace Broken Teeth-Per Tooth, Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5650	Add Tooth To Existing Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5660	Add Clasp To Existing Partial Denture	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
5750	Reline Complete Maxillary Denture (Laboratory)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
6240	Pontic-Porcelain Fused To High Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6241	Pontic-Porcelain Fused To Predom. Base Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6242	Pontic-Porcelain Fused To Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6750	Crown-Retainer-Porcelain Fused High Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6751	Crown-Retainer-Porcelain Fused Pred. Base Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00
6752	Crown-Retainer-Porcelain Fused To Noble Metal	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00	\$275.00

Code	Procedure Description	2006		2007		2008	
		Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
6930	Recement Fixed Partial Denture	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
7140	Extraction, Erupted Tooth/Exposed Root-Elevation/Forceps	\$15.00	\$70.00	\$15.00	\$70.00	\$15.00	\$70.00
7210	Surg Rem Erup Tooth Req Flap/Bone Rem/Sec Tooth	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00
7220	Removal Of Impacted Tooth-Soft Tissue	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
7230	Removal Of Impacted Tooth-Partial Bony	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
7240	Removal Of Impacted Tooth-Complete Bony	\$100.00	\$120.00	\$100.00	\$120.00	\$100.00	\$120.00
7241	Rem Impac. Tooth-Comp Bony/Unusual Complications	\$125.00	\$140.00	\$125.00	\$140.00	\$125.00	\$140.00
7250	Surg Rem Of Residual Tooth Roots (Cutting Proc)	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
7310	Alveoplasty In Conjunc With Exts-Per Quad	\$40.00	\$60.00	\$40.00	\$60.00	\$40.00	\$60.00
7510	I & D Abscess Intraoral-Soft Tissue	\$25.00	\$35.00	\$25.00	\$35.00	\$25.00	\$35.00
7960	Frenulectomy (Frenectomy/Frenotomy) Sep. Proc.	\$50.00	\$60.00	\$50.00	\$60.00	\$50.00	\$60.00
9110	Palliative (Er) Tx-Dental Pain-Minor Procedure	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
9210	Local Anesthesia Not In Conjunc W/Operative	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9215	Local Anesthesia	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9220	General Anesthesia-First 30 Minutes	\$0.00	\$40.00	\$0.00	\$40.00	\$0.00	\$40.00
9230	Analgesia,Anxiolysis, Inhalation Nitrous Oxide	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
9241	Intravenous Conscious Sedation-First 30 Minutes	\$0.00	\$30.00	\$0.00	\$30.00	\$0.00	\$30.00
9242	Intravenous Conscious Sedation-First Each 15 Minutes	\$0.00	\$20.00	\$0.00	\$20.00	\$0.00	\$20.00
9310	Prof Consult (Diag Serv By Other Dentist/Phys)	\$25.00	\$45.00	\$25.00	\$45.00	\$25.00	\$45.00
9430	Office Visit For Observation (Regular Hours)	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
9440	Office Visit -After Regularly Scheduled Hours	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
9910	Application-Desensitizing Medicament	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
9951	Occlusion Adjustment-Limited	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
9952	Occlusion Adjustment-Complete	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
9972	External Bleaching - Per Arch	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
9973	External Bleaching - Per Tooth	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
1550	Recementation Of Space Maintainer	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
5410	Adjust Complete Denture-Maxillary	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5730	Reline Complete Maxillary Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
5751	Reline Complete Mandibular Denture (Lab)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
6790	Crown-Retainer-Full Cast High Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
6791	Crown-Retainer-Full Cast Predom. Base Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
9221	General Anesthesia-Each Additional 15 Minutes	\$168.00	\$168.00	\$168.00	\$168.00	\$168.00	\$168.00

Code	Procedure Description	2006		2007		2008	
		Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services	Member Cost for Generalist services	Member Cost for Specialist services
5212	Mandibular Part Denture-Resin Base(Clasp/Rests)	\$295.00	\$295.00	\$295.00	\$295.00	\$295.00	\$295.00
5411	Adjust Complete Denture-Mandibular	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5620	Repair Cast Framework, Partial Denture	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00
5741	Reline Mandibular Partial Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
5760	Reline Maxillary Partial Denture (Laboratory)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
5761	Reline Mandibular Partial Denture (Laboratory)	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
1515	Space Maintainer-Fixed-Bilateral	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
2520	Inlay-Metallic-Two Surfaces	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
6210	Pontic-Cast High Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
6792	Crown-Retainer-Full Cast Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
5720	Rebase Maxillary Partial Denture	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5721	Rebase Mandibular Partial Denture	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5740	Reline Maxillary Partial Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
6211	Pontic-Cast Predominantly Base Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
1520	Space Maintainer-Removable-Unilateral	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00
1525	Space Maintainer-Removable-Bilateral	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00
2510	Inlay-Metallic-One Surface	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
5421	Adjust Partial Denture-Maxillary	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5422	Adjust Partial Denture-Mandibular	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5710	Rebase Complete Maxillary Denture	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00	\$95.00
5711	Rebase Complete Mandibular Denture	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
5731	Reline Complete Mandibular Denture (Chairside)	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
6212	Pontic-Cast Noble Metal	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00