

**CONTRACT #9**  
**RFS # 317.86-00008**  
**FA # 07-17136**

**Finance and Administration**  
**Benefits Administration**

**VENDOR:**  
**POMCO, Inc.**



RECEIVED  
APR 13 2009  
FISCAL REVIEW

STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
DIVISION OF BENEFITS ADMINISTRATION  
William R. Snodgrass Tennessee Tower  
312 Rosa L Parks Avenue, Suite 2600  
Nashville, Tennessee 37243

Dave Goetz  
COMMISSIONER

Phone: 615.741.4517  
Fax: 615.253.8556

Laurie Lee  
EXECUTIVE DIRECTOR

**MEMORANDUM**

**To:** James White, Executive Director – Fiscal Review Committee  
**From:** Laurie Lee, Executive Director – Benefits Administration *LL*  
**Date:** April 8, 2009  
**RE:** Amendment # 2 to the POMCO, Inc. Contract

---

Please find attached a Non-Competitive Amendment request to the existing contract with POMCO, Inc. which has been signed by Commissioner Goetz.

The modification to the contract through this amendment extends the term for a two (2) year period while allowing the State to benefit from the same administrative fee for the full five (5) years of the contract without an increase. The maximum liability is increased to allow for funding for the two (2) additional years through this amendment, and the Communications and Contacts section of the contract (Section E.2.) is updated as well. The base contract for POMCO and Amendment One (1) to the POMCO contract are included for review as is the proposed amendment to the document.

Thank you for your consideration of this request to amend this contract with a start date for the amendment of July 1, 2009.

## Supplemental Documentation Required for Fiscal Review Committee

<b>*Contact Name:</b>	Marlene Alvarez	<b>*Contact Phone:</b>	615.253.8358		
<b>*Contract Number:</b>	FA-07-17136-00 Edison ID # 2042	<b>*RFS Number:</b>	31786 – 00008		
<b>*Original Contract Begin Date:</b>	January 1, 2007	<b>*Current End Date:</b>	December 31, 2009		
<b>Current Request Amendment Number: (if applicable)</b>		2			
<b>Proposed Amendment Effective Date: (if applicable)</b>		July 1, 2009			
<b>*Department Submitting:</b>		Finance & Administration			
<b>*Division:</b>		Benefits Administration			
<b>*Date Submitted:</b>		April 13, 2009			
<b>*Submitted Within Sixty (60) days:</b>		Yes			
<b>If not, explain:</b>					
<b>*Contract Vendor Name:</b>		POMCO, Inc.			
<b>*Current Maximum Liability:</b>		\$10,000,000			
<b>*Current Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)</b>					
<b>FY: 2007</b>	<b>FY: 2008</b>	<b>FY: 2009</b>	<b>FY: 2010</b>	<b>FY: 2011</b>	<b>FY: 2012</b>
\$1,666,667	\$3,333,333	\$3,333,333	\$1,666,667	N/A	N/A
<b>*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from STARS or FDAS report)</b>					
<b>FY: 2007</b>	<b>FY: 2008</b>	<b>FY: 2009</b>	<b>FY: 2010</b>	<b>FY: 2011</b>	<b>FY: 2012</b>
\$1,070,535	\$2,252,002.50	\$1,790,407.50	N/A	N/A	N/A
<b>IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:</b>		Contract Per Subscriber Per Month (PSPM) expenditures are 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 each contract, and therefore funding needs may vary. Monthly funding of contract expenditures is obtained, on an as needed basis, from plan fund 59 – Medicare Supplemental for Retirees. Plan fund revenues are obtained primarily from employer and employee premiums, which are annually set by the committees, and utilized for paying plan fund expenses (claims, and administrative expenses, etc.), and can only be utilized for that purpose.			
<b>IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:</b>		Under TCA –Title 8: Chapter 27-102 (a), 301 (b), and 207 (d) the State, Local Education and Local Government insurance committees have the authority to enter into contracts with insurance companies, claims administrators, and other organizations for some or all of the insurance benefits or services, including actuarial and consulting advice for the purpose of administering the state sponsored basic health plans. Monthly funding of contract expenditures			

## Supplemental Documentation Required for Fiscal Review Committee

		are obtained, on an as needed basis, from plan fund 59 – Medicare Supplemental for Retirees. By approving the two year contract extension, the insurance committees have authorized the payment of expenses from the fund for the additional years of extension. The present estimated maximum liability of the contract is changed based on the estimate of the additional two years of expenses due to the contract extension. This contract is in Department ID 3178600002 that is an off-line code and does not submit carry-forward letters. The insurance funds are billed each month and they each carry a fund balance which can be found on the Comprehensive Annual Financial Report (CAFR).	
<b>IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:</b>		N/A	
<b>*Contract Funding Source/Amount:</b>	<b>State:</b>	N/A	<b>Federal:</b> N/A
<b>Interdepartmental:</b>	\$10,000,000	<b>Other:</b>	N/A
<b>If "other" please define:</b>			
<b>Dates of All Previous Amendments or Revisions: (if applicable)</b>		<b>Brief Description of Actions in Previous Amendments or Revisions: (if applicable)</b>	
January 1, 2009 – Amendment # 1		Added Edison responsibilities	
<b>Method of Original Award: (if applicable)</b>		RFP	
<b>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)</b>		See attached – "POMCO payments since inception" (as of 03.31.2009)	
<b>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)</b>		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 administrative rate therefore allowing the State to benefit from the same administrative rate for the full five (5) years of the contract.	
<b>Include a detailed analysis, in dollars, of the cost of obtaining this service through the proposed contract as compared to other options. (if applicable)</b>		See attached – "Estimated future membership (total members) and corresponding administrative fees to be paid to contractor"	

# POMCO payments since inception

as of 3/31/09

<b>Month</b>	<b>Total Expenditures</b>
January 2007	177,315.00
February 2007	176,790.00
March 2007	178,042.50
April 2007	179,340.00
May 2007	179,302.50
June 2007	179,745.00
<b>Total FY 2007:</b>	<b>\$1,070,535.00</b>
July 2007	180,915.00
August 2007	182,797.50
September 2007	183,472.50
October 2007	185,842.50
November 2007	187,027.50
December 2007	187,672.50
January 2008	188,722.50
February 2008	189,135.00
March 2008	190,732.50
April 2008	191,295.00
May 2008	192,112.50
June 2008	192,277.50
<b>Total FY 2008:</b>	<b>\$2,252,002.50</b>
July 2008	194,482.50
August 2008	194,280.00
September 2008	196,192.50
October 2008	198,652.50
November 2008	211,597.50
December 2008	198,652.50
January 2009	198,690.00
February 2009	198,682.50
March 2009	199,177.50
<b>YTD FY 2009:</b>	<b>\$1,790,407.50</b>
<b>GRAND TOTAL:</b>	<b>\$5,112,945.00</b>

**Estimated future membership (total members)  
and corresponding administrative fees to  
be paid to contractor**

*(prepared 3/26/09 - at which time only  
Jan, Feb, & March membership was known)*

**POMCO MEDICARE SUPPLEMENT**

	<u>Estimated monthly members</u>	<u>Admin fees \$7.50 PMPM</u>
actual, known enrollments provided by OBF Accounting	Jan-09	26,491 \$ 198,682.50
	Feb-09	26,485 \$ 198,637.50
	Mar-09	26,551 \$ 199,132.50
	Apr-09	26,600 \$ 199,500.00
	May-09	26,600 \$ 199,500.00
	Jun-09	26,600 \$ 199,500.00
		<b>\$ 1,194,952.50</b>

Enrollment estimates include a 2% increase from year to year.

Jul-09	26,600 \$ 199,500.00
Aug-09	26,600 \$ 199,500.00
Sep-09	26,600 \$ 199,500.00
Oct-09	26,600 \$ 199,500.00
Nov-09	26,600 \$ 199,500.00
Dec-09	26,600 \$ 199,500.00
Jan-10	27,132 \$ 203,490.00
Feb-10	27,132 \$ 203,490.00
Mar-10	27,132 \$ 203,490.00
Apr-10	27,132 \$ 203,490.00
May-10	27,132 \$ 203,490.00
Jun-10	27,132 \$ 203,490.00
	<b>\$ 2,417,940.00</b>

Jul-10	27,132 \$ 203,490.00
Aug-10	27,132 \$ 203,490.00
Sep-10	27,132 \$ 203,490.00
Oct-10	27,132 \$ 203,490.00
Nov-10	27,132 \$ 203,490.00
Dec-10	27,132 \$ 203,490.00
	<b>\$ 1,220,940.00</b>

Jan-11	27,675 \$ 207,562.50
Feb-11	27,675 \$ 207,562.50
Mar-11	27,675 \$ 207,562.50
Apr-11	27,675 \$ 207,562.50
May-11	27,675 \$ 207,562.50
Jun-11	27,675 \$ 207,562.50
	<b>\$ 1,245,375.00</b>

Jul-11	27,675 \$ 207,562.50
Aug-11	27,675 \$ 207,562.50
Sep-11	27,675 \$ 207,562.50
Oct-11	27,675 \$ 207,562.50
Nov-11	27,675 \$ 207,562.50
Dec-11	27,675 \$ 207,562.50
	<b>\$ 1,245,375.00</b>



Corporate Headquarters 2425 James Street Syracuse, New York 13206 315 432 9171 1 800 934 2459 315 432 5645 fax www.pomcogroup.com

February 23, 2009

Mr. John G. Anderson  
Director – Public Sector Plans  
Tennessee Department of Finance & Administration  
Benefits Administration  
WRS Tennessee Tower - Suite 2600  
312 Rosa L. Parks Avenue  
Nashville, TN 37243

**RE: CONTRACT BETWEEN THE STATE OF TENNESSEE & POMCO, INC.  
RFP #317.86-038 – Medicare Supplement Plan for Retirees**

Dear John:

Please accept this letter as confirmation of your recent conversations with our consultant Glen Watson. In light of the very positive experience that we have had with the State and with your office, POMCO Group is prepared to waive an adjustment in our current administrative fee of \$7.50, as provided for in paragraphs C.3.1. and C.3.2., with the extension of our Contract with the State through December 31, 2011.

John, this means the State will enjoy the benefit of the same administrative rate, without an increase, for a period of five (5) years.

Given the difficult economic times we all are experiencing, we are pleased to be able to offer this arrangement for *The Tennessee Plan*. Please acknowledge that it is your intention to move forward with the contract extension as provided above. Please feel free to contact us if you should have any questions. Thank you for your courtesies in this regard.

Very truly yours,

Robert W. Pomfrey  
President & CEO

c. Laurie Lee, Executive Director, Benefits Administration  
Glen C. Watson, Consultant

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

<b>RFS Tracking #</b>		<b>Edison Contract ID #</b>			<b>Amendment #</b>	
31786-00008		0000000000000000000000002042			2	
<b>Amendment Purpose</b>				<b>Delegated Authority Requisition ID # (ONLY if applicable)</b>		
Extends the contract for 2 years without an increase in the administrative rate. Increases maximum liability to fund the contract through the end of calendar year 2011.						
<b>Contractor/Grantee</b>				<b>Contractor/Grantee FEIN or SSN</b>		
POMCO, Inc.				<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 15-0581348		
<b>Begin Date</b>		<b>End Date</b>		<b>Subrecipient or Vendor</b>		<b>CFDA #(s)</b>
January 1, 2007		December 31, 2011		<input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor		
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>	
2007			\$1,666,667.00		\$1,666,667.00	
2008			\$3,333,333.00		\$3,333,333.00	
2009			\$3,333,333.00		\$3,333,333.00	
2010			\$1,666,667.00		\$1,666,667.00	
2011			\$1,250,000.00		\$1,250,000.00	
2012			\$650,000.00		\$650,000.00	
<b>TOTAL:</b>			<b>\$11,900,000.00</b>		<b>\$11,900,000.00</b>	
— COMPLETE FOR AMENDMENTS —				<b>Procuring Agency Contact &amp; Telephone #</b>		
<b>FY</b>	<b>Base Contract &amp; Prior Amendments</b>	<b>THIS Amendment ONLY</b>	Marlene Alvarez – Manager of Procurement & Contracting Tennessee Department of Finance & Administration, Benefits Administration 312 Rosa L Parks Avenue, Suite 2600 Nashville, Tennessee 37243 615.253.8358			
2007	\$1,666,667.00	\$0.00	<b>Procuring Agency Budget Officer Approval</b> (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.)			
2008	\$3,333,333.00	\$0.00				
2009	\$3,333,333.00	\$0.00				
2010	\$1,666,667.00	\$0.00				
2011	\$0.00	\$1,250,000.00				
2012	\$0.00	\$650,000.00	<b>Speed Code</b>		<b>Account Code</b>	
<b>TOTAL:</b>	<b>\$10,000,000.00</b>	<b>\$1,900,000.00</b>	IA00000083		78901000	
— OCR Use —				<b>Procurement Process Summary (FA or ED-type only)</b>		
				The original contract (FA-07-17136-00) was procured through an RFP		

**AMENDMENT TWO  
TO CONTRACT ID NUMBER 2042**

This Contract Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, hereinafter referred to as the "State" and POMCO, Inc., 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 B. is deleted in its entirety and replaced with the following:

B. CONTRACT TERM:

- B.1. Contract Term. This Contract shall be effective for the period commencing on January 1, 2007 and ending on December 31, 2011. 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 two (2) years and a total contract term of no more than five (5) years, provided that such an extension of the contract term is effected prior to the current, contract expiration date by means of an amendment to the Contract.

2. 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 Eleven Million, Nine Hundred Thousand Dollars (\$11,900,000.00). 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.

3. 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 Service Rates herein for units of 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 units of service or project milestones defined in Section A. The Contractor shall be compensated based upon the following Per Subscriber Per Month (PSPM) Rates (see definition of Subscriber in Section A):

PSPM Rates by Plan Type and Calendar Year	PSPM 2007	PSPM 2008	PSPM 2009	PSPM 2010	PSPM 2011
State Plan	\$ 7.50	\$ 7.50	\$ 7.50	\$ 7.50	\$ 7.50

The State shall make payments to the Contractor based upon the monthly enrollment count for the month plus any positive or negative adjustments due to enrollment changes for prior periods.

4. 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:

Marlene Alvarez, Manager of Procurement and Contracting  
 Tennessee Department of Finance and Administration  
 Benefits Administration Division  
 312 Rosa L Parks Avenue, Suite 2600  
 Nashville, Tennessee 37243  
[marlene.alvarez@tn.gov](mailto:marlene.alvarez@tn.gov)  
 Telephone: 615.253.8358  
 Fax: 615.253.8556

The Contractor:

Robert W. Pomfrey, President and CEO  
 POMCO, Inc.  
 2425 James Street  
 Syracuse, New York 13206  
[rpomfrey@pomcogroup.com](mailto:rpomfrey@pomcogroup.com)  
 Telephone: 315.432.9171 ext. 4223  
 Fax: 315.433.5454

with a copy to:

Donald Doerr, Esq.  
 POMCO, Inc.  
 2425 James Street  
 Syracuse, New York 13206  
[ddoerr@pomcogroup.com](mailto:ddoerr@pomcogroup.com)  
 Telephone: 315.432.9171 ext. 4413  
 Fax: 315.703.4884

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

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

**IN WITNESS WHEREOF,**

**POMCO, INC.:**

---

**CONTRACTOR SIGNATURE**

**DATE**

---

**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

**STATE OF TENNESSEE,  
STATE INSURANCE COMMITTEE:**

---

**M.D. GOETZ, JR., CHAIRMAN**

**DATE**

**APPROVED:**

---

**COMMISSIONER OF FINANCE & ADMINISTRATION**

**DATE**

---

**COMPTROLLER OF THE TREASURY**

**DATE**

**NON-COMPETITIVE AMENDMENT REQUEST:**

APPROVED

Commissioner of Finance &amp; Administration

1) RFS # :	31786 - 00008 (former RFS # 317.86-038-07)	
2) Procuring Agency :	Department of Finance & Administration, Division of Benefits Administration	
<b>EXISTING CONTRACT INFORMATION</b>		
3) Service Caption :	Administrative Services for State's self-insured Medical Supplement Plan	
4) Contractor :	POMCO, Inc.	
5) Contract # :	FA-07-17136-00 (Edison ID # 2042)	
6) Contract Start Date :	January 1, 2007	
7) CURRENT Contract End Date : (if ALL options to extend the contract are exercised)	December 31, 2011	
8) CURRENT Maximum Cost : (if ALL options to extend the contract are exercised)	\$10,000,000	
<b>PROPOSED AMENDMENT INFORMATION</b>		
9) Amendment # :	2	
10) Amendment Effective Date : (attached explanation required if < 60 days after F&A receipt)	July 1, 2009	
11) PROPOSED Contract End Date : (if ALL options to extend the contract are exercised)	December 31, 2011	
12) PROPOSED Maximum Cost : (if ALL options to extend the contract are exercised)	\$11,900,000	
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>The Amendment extends the contract term for the remaining two years and allows the State to benefit from the same administrative rate for the full five (5) years of the contract without an increase.</p>	
15) Explanation of Need for the Proposed Amendment :	<p>The vendor has agreed to waive an adjustment in their current administrative rate as provided in sections C.3.1. and C.3.2. of the contract therefore allowing the State to benefit from the same administrative rate for the full five (5) years of the contract. Benefits Administration believes this to be in the best interest of the State.</p>	
16) Name & Address of Contractor's Current Principal Owner(s) : (not required for a TN state education institution)	<p>POMCO, Inc.  2425 James Street  Syracuse, New York 13206</p>	

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 :

Benefits Administration is in agreement with the continuation of the contract with POMCO for an additional two year term since there will be no increase in the Per Subscriber Per Month (PSPM) administrative fee and considers a two term extension appropriate and in the best interest of the State and its' employees. The State Insurance Committee approved the two year extension on March 31, 2009.

21) Justification for the Proposed Non-Competitive Amendment :

Benefits Administration agrees that a two year extension with no increase in fees is in the best interest of the State and its employees.

**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



4/3/09

CY09-242

# REQUEST FOR RULE 0620-3-3-.05 EXCEPTION TO DELETE OR REVISE REQUIRED CONTRACT LANGUAGE

NOTE : Approval of a rule exception is NOT required to delete or revise contract language as permitted by model language policy instructions.

<b>APPROVED</b> PER AUTHORIZED/CERTIFIED SIGNATURE BELOW 
<b>Commissioner of Finance &amp; Administration</b>  Date:

<b>RFS #:</b>	31786 - 00008
---------------	---------------

**INFORMATION ABOUT THE EXCEPTION(S) REQUESTED**

**SPECIFIC MODEL POLICY APPLICABLE TO THIS REQUEST:**

FA-Type, Fee-for-Service Contract Model Policy

**EXACT TEXT OF SUBJECT, REQUIRED CONTRACT PROVISION:**

B.2 Term Extension. The State reserves the right to extend the 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 such an extension of the contract term is effected prior to the current, contract expiration date by means of 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 payment rates provided for in the original Contract.

**EXACT TEXT OF PROPOSED, CONTRACT LANGUAGE:** (proposed language to replace that detailed above)

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 two (2) years and a total contract term of no more than five (5) years, provided that such an extension of the contract term is effected prior to the current, contract expiration date by means of 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 payment rates provided for in the original Contract.

**JUSTIFICATION:** (compelling rationale for and validation of request to delete or revise required contract language)

Extends the contract term for two years, and allows the State to benefit from same administrative rate for the full five years of the contract with no increase.

**INFORMATION REGARDING THE APPLICABLE CONTRACT**

<b>CONTRACTOR:</b>	POMCO, Inc.
--------------------	-------------

<b>SERVICE INVOLVED:</b>	Self-insured Medicare Supplement Plan for Medicare eligible retirees of the State, Local Education and Local Government Plans and their eligible Medicare dependents
--------------------------	--

<b>BEGIN DATE:</b>	07.01.2009
--------------------	------------

<b>END DATE (including ALL options for term extension):</b>	12.31.2011
---	------------

<b>MAXIMUM LIABILITY (including ALL options for term extension):</b>	\$11,900,000
--	--------------

<b>AGENCY HEAD REQUEST SIGNATURE:</b> (signed by the procuring agency head or authorized signatory)		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 5px;"><b>OCR</b></td> </tr> <tr> <td style="text-align: center; padding: 5px;">APR 01 2009</td> </tr> <tr> <td style="text-align: center; padding: 5px;"><b>RECEIVED</b></td> </tr> </table>	<b>OCR</b>	APR 01 2009	<b>RECEIVED</b>
<b>OCR</b>					
APR 01 2009					
<b>RECEIVED</b>					
<b>SIGNATURE DATE:</b>	REQUIRED 4-1-09				

New RFS 31786 - 00008 CONTRACT SUMMARY SHEET

021908

RFS #	Contract #
317.86-038-07	FA-07-17136- 01 Edi Kid # 2042
State Agency	State Agency Division
Finance and Administration	Benefits Administration
Contractor Name	Contractor ID # (FEIN or SSN)
POMCO Inc.	<input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 15-0581348

**Service Description**  
 Provides administrative services for the State's self-insured Medicare Supplement Plan for Medicare eligible retired teachers, retired state employees and retired employees of local government agencies and their eligible Medicare dependents.  
 Amendment adds Edison requirements with no funding increase.

Contract Begin Date	Contract End Date	SUBRECIPIENT or VENDOR?	CFDA #
January 1, 2007	December 31, 2009	Vendor	

**Mark Each TRUE Statement**

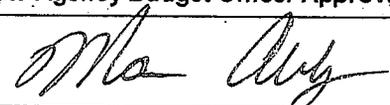
Contractor is on STARS  Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
317.86	22	891	59		
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2007			\$1,666,667		\$1,666,667
2008			\$3,333,333		\$3,333,333
2009			\$3,333,333		\$3,333,333
2010		OCT 0 2 2009	\$1,666,667		\$1,666,667
<b>TOTAL:</b>			\$10,000,000		\$10,000,000

— COMPLETE FOR AMENDMENTS ONLY —

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
2007		
2008		
2009		
<b>TOTAL:</b>	\$10,000,000	
<b>End Date:</b>	Dec. 31, 2009	Dec. 31, 2009

**State Agency Fiscal Contact & Telephone #**  
 Maureen Abbey, Director – Office of Business and Finance  
 312 Rosa L. Parks Avenue, Suite 2000  
 Nashville, TN 37243-1102  
 615.741.6070

**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)

OCT - 2

**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)

OCR  
 SEP 19 2008  
 RECEIVED  
 OKHAM  
 9/19/08

**AMENDMENT ONE  
TO FA-07-17136-00**

This Contract Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, hereinafter referred to as the "State" and POMCO, Inc., 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.1.5. is deleted in its entirety and replaced with the following:

A.1.5. The Contractor shall respond to all inquiries in writing from the Division of Benefits Administration within five (5) business days after receipt of said inquiry. 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.4. is deleted in its entirety and replaced with the following:

**A.4. MAINTENANCE OF ENROLLMENT AND SPECIFIC REPORTING REQUIREMENTS**

The Contractor shall:

A.4.1. 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 equipping itself with 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 and Accountability Act of 1996 (HIPAA).

A.4.1.1. 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 necessarily be limited to: initiation, termination, and/or changes of coverage.

A.4.2. 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.4.2.1. **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.4.1), weekly enrollment data electronic transfer files from the State, in the State's Edison 834 file values (See Attachment D), 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:
  1. Systematically process and update, via computer programs, the Contractor's database, utilizing the State's weekly enrollment file records within three (3) working days of receipt of the files from the State, and
  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) working days of receipt of the files from the State
- to complete and submit to the State, the *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; and
- to continue accepting and processing weekly enrollment electronic updates until the end of the third month following termination of the contract.

The Contractor shall also transmit weekly enrollment updates to any subcontractors within four (4) working days of receipt of the files from the State and require of its subcontractors, as applicable, to maintain weekly enrollment updates within two working days of receiving the files from the Contractor.

NOTE: Section A.4.2.1 shall be monitored by the State as Performance Guarantee # 5. (see Contract Attachment A).

- A.4.2.2 **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 in a mutually agree upon format, 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 data base of State members, as required by Sections A.4.2.1.

Data will be sent by the Contractor to the State via secure means approved by the State. Failure by the Contractor to submit records within fourteen (14) calendar days of the request from the State, shall result in a penalty of \$10,000 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 penalty to the Contractor of ten thousand dollars (\$10,000.00).

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.4.3. 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.4.4. 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.
3. The text of Contract Section A.6. is deleted in its entirety and replaced with the following:
- A.6. SERVICES PROVIDED BY THE STATE**
- A.6.1. The State shall provide enrollment records. These records shall include changes in participants' status and information concerning covered dependents. The Contractor's computer system shall be compatible or have the capability to utilize the enrollment information provided by the State, in the State's proprietary transaction formats.
- A.6.2. The State shall fund applicable accounts from which the Contractor will make claims payments during the term of the contract, and for the thirteen (13) months following its termination, for care and treatment services delivered within the term of the contract (reference Contract Section A.2.11).
4. 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:
- Marlene D. Alvarez, Manager of Procurement and Contracting  
Tennessee Department of Finance & Administration  
Division of Benefits Administration  
312 Rosa L. Parks Ave., Suite 2600  
Nashville, TN 37243  
Telephone #: 615.253.8358  
Fax #: 615.253.8556  
Email Address: [marlene.alvarez@state.tn.us](mailto:marlene.alvarez@state.tn.us)
- The Contractor:
- Robert W. Pomfrey, President and CEO  
POMCO, Inc.  
2425 James Street  
Syracuse, NY 13206  
Telephone #: 315.432.9171 ext. 4223  
Fax #: 315.433.5454  
Email: [rpomfrey@pomcogroup.com](mailto:rpomfrey@pomcogroup.com)
- All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.
5. Contract Attachment A is deleted in its entirety and replaced with the new Contract Attachment A attached hereto.

6. Contract Attachment D is deleted in its entirety and replaced with the new Contract Attachment D attached hereto.

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

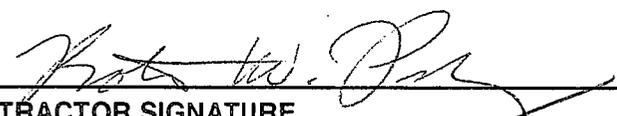
E.13. Voluntary Buyout Program. The Contractor acknowledges and understands that, for a period of two years beginning August 16, 2008, restrictions are imposed on former state employees who received a State of Tennessee Voluntary Buyout Program (VBP) severance payment with regard to contracts with state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

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:

POMCO, Inc.:


9/18/08  


---

CONTRACTOR SIGNATURE DATE  


---

Robert W. Pamfrey, President + CEO  


---

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

STATE OF TENNESSEE,  
STATE INSURANCE COMMITTEE:

*M. D. Goetz Jr.* *9-18-08*  
M. D. GOETZ, JR., CHAIRMAN MOA DATE  
*J*

APPROVED:

*M. D. Goetz Jr.* SEP 29 2008  
M. D. GOETZ, JR., COMMISSIONER DATE  
DEPARTMENT OF FINANCE AND ADMINISTRATION

*John G. Morgan* *9/30/08*  
JOHN G. MORGAN, COMPTROLLER OF THE TREASURY DATE

## ATTACHMENT A

## PERFORMANCE GUARANTEES

The Contractor shall pay to the State the indicated total dollar assessment upon notification by the State that an amount is due, through the life of the contract.

<b>1. Claims Payment Dollar Accuracy (see Contract Section A.2.14)</b>	
Guarantee	The average quarterly financial accuracy for claims payments will be 95% or higher.
Definition	Claims Payment Dollar Accuracy is defined as the absolute value of financial errors divided by the total paid value of Contractor audited dollars paid.
Assessment	<b>\$1,000.00</b> for each full percentage point below 95% for each contracted quarter.
Compliance report	The Compliance Report is the quarterly internal audit performed by the Contractor on a statistically valid sample of claims. The Contractor shall measure and report results quarterly. Performance will be reconciled annually.
<b>2. Claims Processing Accuracy (see Contract Section A.2.14)</b>	
Guarantee	The average quarterly processing accuracy will be 95% or higher.
Definition	Claims Processing Accuracy is defined as the absolute number of State member claims with no in processing or procedural errors, divided by the total number of State member claims within the audit sample. <u>This excludes financial errors.</u>
Assessment	<b>\$1,000.00</b> for each full percentage point below 95%, for each contracted quarter.
Compliance report	The Compliance Report is the quarterly internal audit performed by the Contractor on a statistically valid sample of claims. The Contractor shall measure and report results quarterly. Performance will be reconciled annually.
<b>3. Telephone Response Time (see Contract Section A.1.3)</b>	
Guarantee	Ninety-five percent (95%) of incoming member services calls will be answered by a member services representative in 30 seconds or less.
Definition	Telephone Response Time is defined as the amount of time elapsing between the time a call is received into the phone system and when a live member services representative answers the phone.
Assessment	<b>\$500.00</b> for each full second over the 30 second benchmark. Quarterly guarantee.
Compliance report	The Compliance Report is the Contractor's internal telephone support system reports. Performance will be measured quarterly; reported and reconciled annually. <b>Compliance with this Performance Guarantee will be waived for the first quarter of the contract.</b>
<b>4. Member Satisfaction (see Contract Section A.1.10)</b>	
Guarantee	The level of overall customer satisfaction, as measured annually by a State approved Member Satisfaction survey(s), will be equal to or greater than 85% in the first year of the Contract, and 90% in all subsequent year(s) within the contract term.
Definition	Member Satisfaction will be measured utilizing the most current National Committee on Quality Assurance (NCQA) Adult Member Satisfaction Survey question that measures overall satisfaction.
Assessment	<b>\$5,000.00</b> Annual guarantee.
Compliance report	The Compliance Report is the Contractor's results from National Committee Quality Assurance (NCQA) annual Adult Member Satisfaction Survey. Performance will be measured, reported, and reconciled annually.
<b>5. Weekly Enrollment Update (see Contract Section A.4.2.1)</b>	
Guarantee	1. The Contractor will systematically process and update, via computer programs, the Contractor's database, utilizing the State's weekly enrollment file records, within three (3) working days of receipt of the files from the State. 2. Contractor will resolve all mismatches identified by the processing of the weekly files, within six (6) working days of receipt of the files from the State. "Mismatches" are defined as: any difference of values between the State's and the Contractor's databases.
Definition	Guarantee 1 is defined as the demonstrated actual processing and updating of the Contractor's data based on the State's weekly enrollment file records. Guarantee 2 is defined as the demonstrated correction of "mismatches" identified in the State's weekly enrollment file records.

Assessment	For Guarantee 1 and 2, both separately and individually, the Contractor will be assessed <b>\$100.00</b> per day for the first (1 <sup>st</sup> ) and second (2 <sup>nd</sup> ) working days out of compliance; <b>\$500.00</b> per working day thereafter. No assessment will be made until six months following the implementation of Edison.
Compliance report	Compliance reported by Contractor's submission of the <i>Weekly Enrollment Update Report</i> within seven (7) working days of the receipt of the weekly files. Weekly Update is measured and reported weekly; and reconciled annually.
<b>6. Member ID Card Distribution (see Contract Section A.2.9)</b>	
Guarantee	Member ID cards must be distributed (defined as "mailed") to a minimum of 90% of plan members within fourteen (14) days from when enrollment information is received from the State, for each contract year.
Definition	The actual distribution to plan members within 14 days for a minimum of 90% of all member Id cards .
Assessment	Should the above standard not be met, the total amount shall be <b>\$5,000.00</b> per year in which the standard is not met.
Compliance report	Compliance Report submitted by Contractor. Performance is measured, reported, and reconciled annually.

## ATTACHMENT D

## 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	DIV	1/1/1900	Divorce	5	Divorce	Y	N

ENT_CLASS		0:00					
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	H	1/1/1900	Head of	U	Head Of	Y	N

US		0:00	Household		Household		
MAR_STAT US	E	1/1/1900 0:00	Separated	S	Separated	Y	N
MAR_STAT US	D	1/1/1900 0:00	Divorced	D	Divorced	Y	N
MAR_STAT US	C	1/1/1900 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	GL	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	DST Alaska	AD	Alaska Daylight	Y	N

		0:00	Time		Time		
TIMEZONE	AKST	1/1/1900 0:00	Alaska Time	AS	Alaska Standard Time	Y	N
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, Paris	02	Equivalent to ISO P02	Y	N		
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 Grandfathered	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

# CONTRACT SUMMARY SHEET

8-8-05

RFS # **317.86-038-07** Contract # **FA-07-17136-00**

State Agency **Dept. of Finance and Administration** State Agency Division **Division of Insurance Administration**

Contractor Name **POMCO Inc.** Contractor ID # (FEIN or SSN)  C- or  V- **15-0581348**

Service Description  
Provides administrative services for the State's self-insured Medicare Supplement Plan for Medicare eligible retired teachers, retired state employees and retired employees of local government agencies and their eligible Medicare dependents.

Contract Begin Date	Contract End Date	SUBRECIPIENT or VENDOR?	CFDA #
January 1, 2007	December 31, 2009	Vendor	

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	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
317.86	22	891	59		

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2007			\$1,666,667	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;">                     OCR RELEASED                       JAN 02 2007                       TO ACCOUNTS                 </div>	\$1,666,667
2008			\$3,333,333		\$3,333,333
2009			\$3,333,333		\$3,333,333
2010			\$1,666,667		\$1,666,667
TOTAL			\$10,000,000		\$10,000,000

— COMPLETE FOR AMENDMENTS ONLY —			State Agency Fiscal Contact & Telephone #
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	
FY: 2007			John Anderson 13 <sup>th</sup> Floor, Tennessee Tower 615-741-8642
FY: 2008			State Agency Budget Officer Approval  
FY: 2009			
TOTAL:			
End Date:			

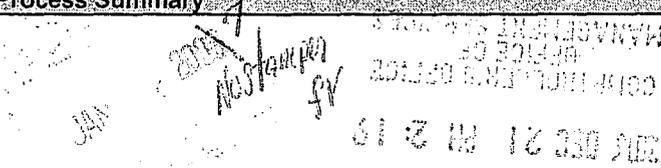
Contractor Ownership

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



RECEIVED



**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**

<b>Contract Number</b>	<b>FA-07-</b>						
<b>Fiscal Year</b>	<b>2008</b>						
<b>Allotment Code</b>	<b>Cost Center</b>	<b>Object Code</b>	<b>Fund</b>	<b>Grant Code</b>	<b>Subgrant Code</b>	<b>CFDA #</b>	<b>Amount</b>
317.86	22	891	59				\$3,333,333
<b>TOTAL</b>							<b>\$3,333,333</b>

**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**

<b>Contract Number</b>	<b>FA-07-</b>						
<b>Fiscal Year</b>	<b>2009</b>						
<b>Allotment Code</b>	<b>Cost Center</b>	<b>Object Code</b>	<b>Fund</b>	<b>Grant Code</b>	<b>Subgrant Code</b>	<b>CFDA #</b>	<b>Amount</b>
<b>317.86</b>	<b>22</b>	<b>891</b>	<b>59</b>				<b>\$3,333,333</b>
<b>TOTAL</b>							<b>\$3,333,333</b>

**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-07-						
Fiscal Year	2010						
Allotment Code	Cost Center	Object Code	Fund	Grant Code	Subgrant Code	CFDA #	Amount
317.86	22	891	59				\$1,666,667
<b>TOTAL</b>							<b>\$1,666,667</b>

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
STATE INSURANCE COMMITTEE  
AND  
POMCO, INC.**

This Contract, by and between the State of Tennessee, State Insurance Committee, hereinafter referred to as the "State" and POMCO, Inc., hereinafter referred to as the "Contractor," is for the delivery of Self Insured Medicare Supplement Plan D (hereinafter called the Plan) administrative services for Medicare eligible retired local education employees, retired state employees, and retired employees of local government agencies, and other Tennessee Consolidated Retirement Services (TCRS) qualified retirees and their eligible Medicare dependents electing such coverage, as further defined in the "SCOPE OF SERVICES."

Under this contract the State reserves the right to require the Contractor to change from the Medicare Supplement Plan D to another NAIC approved Medicare Supplement Plan upon no less than 120 calendar day notice.

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

POMCO, Inc.  
2425 James Street  
Syracuse, NY 13206

The Contractor's place of incorporation or organization is New York and their FEI number is 15-0581348.

**A SCOPE OF SERVICES:**

The Contractor agrees to provide administrative services for the State's self-insured Medicare Supplement Plan for Medicare eligible retired teachers, eligible retired state employees, and eligible retired employees of local government agencies and other Tennessee Consolidated Retirement Services (TCRS) qualified retirees and their eligible Medicare dependents (hereinafter referred to as "subscribers", who elect to participate in the Plan, in accordance with the contract and its clarifications of this agreement (Collectively referred to as the "Contract").

**Definitions:**

- "**Subscribers**" are defined as eligible Medicare retirees, including both retired employees and their dependents, who are individually enrolled in the Medicare Supplement Plan sponsored by the State Insurance Committee. This definition specifically excludes eligible subscribers who elect not to be covered under the Plan;
- "**Participant**" refers to any individual accessing services under the Plan.

**A.1 CUSTOMER and ADMINISTRATIVE SERVICES**

- A.1.1 The Contractor shall, in consultation with and following approval by the State, print all Medicare Supplement Plan booklets, identification cards, letters (including the annual letter to participants regarding premiums) and administrative forms pertaining to or sent to the State's eligible retiree members. The number to be printed shall be in sufficient quantities for the State's members. The Contractor shall be responsible for mailing the appropriate Medicare Supplement materials to the newly enrolled plan members at their home address of record. Failure to have any of the above communications materials approved by the State before release shall result in an assessment of one thousand (\$1,000.00) per occurrence. The State shall immediately notify the Contractor of any such occurrence. Any amounts due for the contractor's noncompliance with this pre-

approval provision shall be paid with the Contractors next Quarterly Report. The cost of printing and distributing descriptive booklets, identification cards, and administrative forms and manuals shall be the responsibility of the Contractor. This provision excludes the distribution of enrollment forms and related materials to newly eligible retirees, which are the State's responsibility.

- A.1.2 The Contractor shall, in cooperation with and at the direction of the State, conduct enrollment meetings and make presentations to acquaint retirees and potential retirees with the availability of the Medicare Supplement coverage. The meetings will occur in no more than four locations throughout Tennessee in any given year of the contract and time and location will be determined through mutual agreement between the Contractor and the State. If required by the State, the Contractor shall conduct open enrollments and prepare and provide enrollment materials to eligible retirees not enrolled in the coverage.
- A.1.3 The Contractor shall maintain a nation wide, toll-free phone line available from 8:00 AM to 6:00 PM (CST) Monday through Fridays except State holidays for the exclusive purpose of answering retiree inquiries regarding Medicare and the Medicare Supplement policies. These phone lines shall be operated in accordance with details provided in the Contractor's proposal, and perform consistent with the Contract Attachment A Performance Guarantee 3 Telephone Response.
- A.1.4 The Contractor shall maintain a full service staff to assist with inquiries, answer correspondence, respond to unusual situations or problems, and complaints from retirees regarding Medicare and Medicare Supplement benefits. The Contractor shall answer, in writing, within ten (10) business days ninety (90) percent of all written inquiries from participants concerning the status of claims submitted, all benefits available through the Medicare Supplement option, its clarifications and revisions, and other relevant information requested.
- A.1.5 The Contractor shall respond to all inquiries in writing from the Division of Insurance Administration within five (5) business days after receipt of said inquiry. 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.1.6 The Contractor shall prepare, following approval by the State, print and distribute notifications of changes in the Medicare Supplement premiums and benefits, changes in state support or any other necessary communication to program participants.
- A.1.7 If the Contractor maintains State-dedicated internet pages, it shall provide up to date information. The Contractor shall also provide by the first day of the period (generally during the month of December) all information pertinent to each new plan year.
- A.1.8 The Contractor shall designate an Account Manager with overall responsibility for the State-sponsored benefit. Said designee shall be responsible for the coordination and operation for all aspects of the contract.
- A.1.9 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 its Account Manager and representatives from its organizational units required to respond to topics indicated by the State's agenda.
- A.1.10 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 participants. The State reserves the right to review and mandate changes in the survey it feels are necessary to obtain valid,

reliable, unbiased results. Those changes may include, but are not limited to, changes in the research design, units of analysis or observation, study dimension, sample size, sample frame, sample method, coding, or evaluation method. 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. The results of the annual survey shall be measured according to Contract Attachment A, Performance Guarantee 4 Member satisfaction.

- A.1.11 The Contractor shall have in place member grievance procedures, detailing levels of appeals. Information detailing the appeals process should be provided to the state for review and comment. The Contractor shall have the appropriate qualified professionals available to participate in the State appeal process and to be available to personally attend the State appeals meetings when requested by the State. The State appeals process is available to plan members after the Contractor's appeal process has been exhausted. The Contractor shall have a qualified individual available to provide support to the State Appeals Coordinator in the research and development of appeals.
- A.1.12 The Contractor shall conduct reviews of coordination of benefits possibility with other Medicare Supplement coverage utilizing the coordination of benefits provisions adopted by the National Association of Insurance Commissioners.
- A.1.13 The Contractor shall institute subrogation based on a mutually agreeable process between the Contractor and the State. Such process shall include:
- A defined process for the recovery of monies received through subrogation;
  - Notification, upon request by the State, of the status of cases under review for subrogation; and
  - Identification to the State of all subrogation subcontractors and, upon request by the State, copies of said subcontracts.

The State authorizes the Contractor to retain administrative fees, on a per patient basis, of no more than 5% of the gross recoveries received. The Contractor may retain an additional 20% of the gross recoveries, when such recoveries are made by subrogation subcontractor(s).

- A.1.14 The Contractor, upon proper notice and direction from the State, shall permit revisions to the Plan benefits and communicate these benefit changes to program participants.

## A.2 CLAIMS PROCESSING AND ADMINISTRATIVE SERVICES

- A.2.1 The Contractor must maintain and utilize the capability to electronically interface with the Medicare Part A and B Administrative intermediaries to provide for the direct filing of claims for retirees living in both the State of Tennessee as well as all other states.
- A.2.2 The Contractor shall provide claims forms and instructions to plan participants, confirm eligibility for each claim submitted and process all medical claims in strict accordance with the State of Tennessee, Medicare Supplement Plan Benefits and National Association of Insurance Commissioners (NAIC) Medicare Supplement Plan D.
- A.2.3 The Contractor shall confirm eligibility of each participant as claims are submitted, on the basis of the enrollment information provided by the State, which applies to the period during which the charges were incurred. The Contractor shall process said claims, in an accurate manner, either filed directly by Participants and/or the provider(s), in accordance with the Performance Guarantees contained in Contract Attachment A. The Contractor shall provide services to participants who elect Medicare supplement coverage.

- A.2.4 The Contractor shall report information regarding payment or rejection of a claim to the program participant on an Explanation of Benefits Form (EOB). The format of the EOB form will be reviewed and approved by the State prior to the effective date of this contract. On an annual basis the State and Contractor shall review the format and content of the EOB and determine if changes are necessary. If changes are required, an implementation schedule shall be mutually agreed upon for introduction of the revised EOB.
- A.2.5 The Contractor is expected to assist the State in identifying fraud and perform fraud investigations of members and providers, in consultation with the State, for the purpose of recovery of overpayments due to fraud. Reviews must include all possible actions necessary to locate and investigate cases of potential, suspected, or known fraud and abuse. In the event the Contractor discovers evidence that an unusual transaction has occurred that merits further investigation, the Contractor shall simultaneously inform the Division of Insurance Administration and the Division of State Audit, in the Office of the Comptroller of the Treasury. The State will review the information and inform the Contractor whether it wishes the Contractor to:
- discontinue further investigation if there is insufficient justification; or
  - continue the investigation and report back to the Division of Insurance Administration and the Division of State Audit; or
  - continue the investigation with the assistance of the Division of State Audit; or
  - discontinue the investigation and turn the Contractor's findings over to the Division of State Audit for its investigation.
- A.2.6 The Contractor shall allow for periodic audits to be performed by the State of Tennessee's Division of State Audit, Office of the Comptroller of the Treasury, or other qualified entity(ies) designated by the State. The selected auditor shall be qualified to conduct such audits and shall not present a demonstrable conflict of interest with the Contractor that would compromise proprietary information. The Contractor shall provide the auditor access to all information necessary to perform the examination, and the State will work with the Contractor in defining the scope of the audit, requirements and time frame for conducting the audit. The State shall provide reasonable notice to Contractor of not less than 30 days. Contractor agrees to be fully prepared for any on-site audit on the mutually agreed upon date. 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.2.7 To maintain the privacy of personal health information, the Contractor shall provide to the State a method of securing email for daily communications between the State and the Contractor.
- A.2.8 The Contractor shall ensure that the electronic data processing (EDP) environment (hardware and software), data security, and internal controls meet all present standards, and will meet all future standards, required by the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191. Said standards shall include the requirements specified under each of the following HIPAA subsections:
- |   |                                   |
|---|-----------------------------------|
| • Electronic Transactions and Code Sets | • National Individual Identifier  |
| • Privacy                               | • Claims attachments              |
| • Security                              | • National Health Plan Identifier |
| • National Provider Identifier          | • Enforcement                     |
| • National Employer Identifier          |                                   |

The Contractor shall maintain an EDP and electronic data interface (EDI) environment that meets the requirements of this contract and meets the privacy and security

requirements of the Health Insurance Portability and Accountability Act of 1996. 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.2.9 To ensure the efficient and timely processing of claims and the adequate capture of data, the Contractor shall provide participants with identification cards. Identification cards shall contain unique identifiers for each member; such identifier shall NOT be the member's Federal Social Security Number. The cost of these items shall be borne by the Contractor. The State reserves the authority to review any claim forms and identification cards prior to issuance for use. Contractor shall update enrollment and shall mail participant I.D. cards no later than 14 days from receipt of the new enrollment or change in enrollment. The Contractor's distribution of member ID cards during the term of the contract shall be monitored based on Contract Attachment A, Performance Guarantee 7 Member ID Card Distribution.
- A.2.10 The Contractor shall notify the State within thirty (30) days of a retroactive termination of all claims paid on behalf of the affected plan member during the period covering the retroactivity. The State will notify the Contractor to initiate the recovery of claims.
- A.2.11 Upon conclusion of this contract, or in the event of its termination or cancellation for any reason, the Contractor shall be responsible for the processing of all claims incurred for medical services rendered or medical supplies purchased during the period of this contract with no additional administrative cost to the State. The claims run out period shall extend through the final day of the thirteenth (13<sup>th</sup>) month following contract termination.
- A.2.12 The Contractor shall have the ability to hold claims and release claims without terminating the member, according to the monthly records transmitted through the monthly Tennessee Insurance System (TIS) interface as detailed in Attachment D, Tennessee Insurance System (TIS) Formats.
- A.2.13 The Contractor, upon request by the State, shall review and comment on proposed revisions to the Medicare Supplement Plan option. When so requested, the Contractor shall comment in regard to:
- Federal or state law changes; and
  - The overall cost impact to the program and or proposed revisions; and
  - Any cost impact to the Contractor's fee; and
  - Necessary changes in the Contractor's reporting requirements; and
  - System changes.
- A.2.14 The Contractor shall process claims consistent with Contract Attachment A, Performance Guarantee 1. Claims Payment Dollar Accuracy and Performance Guarantee 2 Claims Processing Accuracy.
- A.2.15 The Contractor shall, upon conclusion of this contract or in the event of its termination, provide all necessary information to the State which is required to continue the normal operation of the Program. The Contractor will not furnish any confidential or proprietary information. The information shall be provided to the State or to a subsequent Contractor designated by the State and shall be transmitted in a data processing media prescribed by the State. The State shall give the Contractor at least thirty (30) calendar days notice of all required information. The Contractor shall provide all required information within (30) calendar days of the receipt of the notice. Such information, if requested by the State, shall include, but not be limited to, the following: name and address of Program participants, their date of birth, social security numbers of Program participants, claims payments, Medicare Health Insurance Claim (HIC) Numbers and coverage selected. Additionally, claims payment information may be required to be provided within thirty (30) days of a claims payment in the event of a transfer at any time other than year end.

### A.3 CLAIMS PAYMENT AND RECONCILIATION PROCESS

- A.3.1 For the payment of all claims under this contract, the Contractor shall issue payments in the form of checks and/or Automated Clearing House (ACH) electronic funds transfer against the Contractor's own bank account. Unless otherwise mutually agreed to in writing by the parties, the check mailing/delivery process, including the location and timing for the printing and mailing of the checks shall be in the manner described in the Contractor's Proposal. The Contractor shall maintain security and quality controls over the design, printing and mailing of checks, as well as any fraud prevention feature of check stock in the manner described in the Contractor's Proposal.
- A.3.2 The State shall fund the Contractor for the total issue amount of the payments, net of cancellations, voids or other payment credit adjustments, daily or at the time of each issuance of checks or ACH, provided the Contractor's payment process includes timely delivery of checks and settlement of ACH transactions. Unless otherwise mutually agreed to in writing by the parties, the Contractor shall notify the State of the day's funding requirement amount in the manner described in the Contractor's Proposal. The funding option for the State shall include either receiving an ACH debit from the Contractor to a designated State bank account, or wire transfer of funds to the Contractor's designated bank account. The parties shall mutually agree upon the funding option. The Contractor acknowledges and agrees that since the State intends to fund payments at the time of issuance, the State shall not maintain a separate bank account or an escrow account with the Contractor or to otherwise pre-fund an account.
- A.3.3 The Contractor further acknowledges the State will monitor and age the outstanding check balance and the Contractor agrees, upon request of the State, to conduct a review and/or cancel-reissue of stale dated outstanding items. In a format mutually agreed to, the Contractor on a daily basis, shall provide a detailed listing of the payment activity, including check serial numbers and ACH payment identifiers, payee names, payment amounts, plan group (State, Local Education and Local Government) and associated claim numbers, balancing to the required funding amount for that day. Said listing shall enable the State to reconcile the payment detail to the required funding amount, while providing related payment information needed to record the necessary accounting entries by expense classifications. The Contractor shall further provide monthly check Reconciliation Reports that provide detail (check number, issue date, payee name, claim numbers, check amount, paid or cancel date) of all checks issued or cancelled during the month, and detailed listing of outstanding checks at each month-end.
- A.3.4 The Contractor shall issue all related Internal Revenue Service (IRS) Form 1099 reports, submit required 1099 information directly to the IRS utilizing Contractor's tax ID number, and shall maintain responsibility in matters relating to such information provided to payees and to the IRS, including the payment of any penalties or fees related to such 1099 reporting.
- A.3.5 Overpayments resulting from the negligent, reckless, or willful acts or omissions of the Contractor, its officers, agents or employees shall be the responsibility of the Contractor, regardless of whether or not such overpayments can be recovered by the Contractor. The Contractor shall repay the State the amount of any such overpayment within thirty (30) calendar days of discovery of the overpayment. Overpayments due to provider fraud or fraud of any other type, other than fraud by employees or agents of the Contractor, will not be considered overpayments for purposes of this Section. The Contractor agrees to assist in identifying fraud and make reasonable efforts, in consultation with the State, to recover overpayments due to fraud. The State will not hold the Contractor responsible for overpayments caused by the State's errors or errors caused by any other agency or department of the State of Tennessee; however, the Contractor shall assist the State in recovery of such overpayments. The requirement that the Contractor assist the State in

identifying or recovering overpayments as provided in this Section does not require the Contractor to become a party to any legal proceeding as a result thereof.

#### A.4 MAINTENANCE OF ENROLLMENT AND SPECIFIC REPORTING REQUIREMENTS

The Contractor shall:

A.4.1 Maintain an electronic data interface with the State's Tennessee Insurance System (TIS) or its replacement system Edison, for the purpose of accessing (inquiry mode only) State member enrollment information. The Contractor is responsible for equipping itself with the hardware and software necessary for achieving and maintaining access via the Internet, using IBM's Host on Demand software provided by the State. The Contractor's initial interface with TIS shall be monitored based on Contract Attachment A, Performance Guarantee 6 Tennessee Insurance System Interface.

A.4.1.1 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 necessarily be limited to: initiation, termination, and/or changes of coverage.

A.4.2 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.4.2.1 **Weekly Enrollment Update:** To ensure that State plan participants' enrollment records remain accurate and complete, the Contractor commits to the following:

- to accept, via secure medium [FTP-to-FTP Server Connections via a site to site Virtual Private Network (VPN) tunnel, or other secured means approved by the State] weekly enrollment 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);
- to complete each of the following tasks by the indicated deadline:
  1. Systematically process and update, via computer programs, the Contractor's database, utilizing the State's weekly enrollment file records within three (3) working days of receipt of the files from the State, and
  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) working days of receipt of the files from the State
- to complete and submit to the State, the *Weekly Enrollment Update Report*, within seven (7) working days of receipt of the weekly files; and
- to continue accepting and processing weekly enrollment electronic updates until the end of the third month following termination of the contract.

The Contractor shall also transmit weekly enrollment updates to any subcontractors within four (4) working days of receipt of the files from the State and require of its subcontractors, as applicable, to maintain weekly enrollment updates within two working days of receiving the files from the Contractor.

**NOTE: Section A.4.2.1 shall be monitored by the State as Performance Guarantee #5.a (see Contract Attachment A).**

A.4.2.2 **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 [FTP-to-FTP Server Connections via a site to site Virtual Private Network (VPN) tunnel, or other secured means approved by the State] quarterly enrollment data electronic transfer files from the State, in the State's proprietary transaction formats, for participants maintained in the State's TIS system;
- to complete each of the following tasks by the indicated 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) working days of receipt of the file from the State, and
  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) working days of receipt of the files from the State
- to complete and submit to the State the *Quarterly Enrollment Data Reconciliation Report* within eleven (11) working days of receipt of the quarterly files; and
- to continue accepting and processing quarterly electronic data reconciliation files until the end of the third month following termination of the contract.

The Contractor shall also transmit quarterly enrollment updates to any subcontractors within six (6) working days of receipt of the files from the State and require of its subcontractors, as applicable, to maintain quarterly enrollment updates within two (2) working days of receiving the files from the Contractor.

**NOTE: Section A.4.2.2 shall be monitored by the State as Performance Guarantee #5.b (see Contract Attachment A).**

A.4.2.3 **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.4.2.1 and A.4.2.2.**

Data will be sent by the Contractor to the State with a FTP-to-FTP Server Connection via a site-to-site Virtual Private Network (VPN) tunnel or other secure means approved 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 penalty of \$10,000 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 penalty to the Contractor of ten thousand dollars (\$10,000.00).

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.4.3 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.4.4 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.4.5 The Tennessee Insurance System (TIS) is targeted for replacement by the State's Enterprise Resource Planning (ERP) system (operating under the name Edison) approximately January 1, 2008. (Note: This date is subject to change at the State's discretion.) The Contractor, in support of this transition, will be required, at its own expense, to:

- participate in meetings, if any, intended for the purpose of planning for the transition;
- convert its electronic data interface with TIS, the Weekly Enrollment updates (Section A.4.2.1), the Quarterly Enrollment Data Reconciliation (Section A.4.2.2), and the Enrollment Data Match (Section A.4.2.3), to the new Edison formats and procedures prior to the Edison "go-live" date.

#### A.5 **SUBMIT MANAGEMENT REPORTS**

The Contractor shall submit Management Reports in hard copy or electronic format, of the type, at the frequency, and containing the detail described in **Contract Attachment B**. Reporting shall continue for the twelve (12) month period following termination of the contract. If agreed between the Contractor and the State, these reports shall also be submitted in an electronic format. Where available, the Contractor shall provide identical reports in the aggregate for comparable employer groups to enable the State's comparison of its program utilization and claim costs with other employer groups.

#### A.6 **SERVICES PROVIDED BY THE STATE**

A.6.1 The State shall provide enrollment records. These records shall include changes in participants' status and information concerning covered dependents. The Contractor's computer system shall be compatible or have the capability to utilize the enrollment information provided by the State, in the State's proprietary transaction formats.

A.6.2 The State shall provide on-line inquiry access, or other access deemed mutually acceptable, to all enrollment information maintained by the State and instructions required to interpret such information. The Contractor, at its expense, will provide and maintain the necessary software, phone lines, modems, CRTs and other equipment required for this purpose.

A.6.3 The State shall fund applicable accounts from which the Contractor will make claims payments during the term of the contract, and for the thirteen (13) months following its termination, for care and treatment services delivered within the term of the contract (reference Contract Section A.2.11).

#### **B CONTRACT TERM:**

B.1 Contract Term. This Contract shall be effective for the period commencing on January 1, 2007 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.

B.2 Term Extension. The State reserves the right to extend the 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 such an extension of the

contract term is effected prior to the current, contract expiration date by means of an amendment to the Contract.

**C PAYMENT TERMS AND CONDITIONS:**

C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Ten Million Dollars (\$10,000,000.00). The Service 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 Service 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 Service 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 Per Subscriber Per Month (PSPM) 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 Service Rates herein for units of 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 units of service or project milestones defined in Section A. The Contractor shall be compensated based upon the following Per Subscriber Per Month (PSPM) Rates (see definition of Subscriber in Section A):

<b>PSPM Rates by Plan Type and Calendar</b>	<b>PSPM 2007</b>	<b>PSPM 2008</b>	<b>PSPM 2009</b>
<b>State Plan</b>	<b>\$ 7.50</b>	<b>\$ 7.50</b>	<b>\$ 7.50</b>

The State shall make payments to the Contractor based upon the monthly enrollment count for the month plus any positive or negative adjustments due to enrollment changes for prior periods.

C.3.1 If this Contract is extended pursuant to Section B.2., the following shall apply. For services performed from January 1, 2010, through December 31, 2010, the Contractor shall be compensated based upon the 2009 Service Rate fixed in Section C.3, above but may be adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, [ALL ITEMS] expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics (or its successor index) in December 2008 and that figure published in the same month, 12-months prior, up to a maximum adjustment of three and one-half percent (3.5 %).

C.3.2 If this Contract is extended a second time pursuant to Section B.2., the following shall apply. For services performed from January 1, 2011, through December 31, 2011, the Contractor shall be compensated based upon the 2010 Service Rate fixed in Section C.3,

above but may be adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, [ALL ITEMS] expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics (or its successor index) in December 2009 and that figure published in the same month, 12-months prior, up to a maximum adjustment of three and one-half percent (3.5 %).

- C.4 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 of Contractor non-compliance by the State.
- C.4.1 Performance Guarantees under Contract Extension. If this Contract is extended, per Section B.2, the Performance Guarantees shall remain unchanged for the years extended.
- 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.
- C.10 Retention of Final Payment. An amount of Five Hundred Thousand (\$500,000.00), representing five percent (5%) of the maximum total compensation payable under this Contract, shall be withheld by the State until thirty (30) days after final completion of the services to be performed by the Contractor under this Contract.

**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 Contract may be terminated by either party by giving written notice to the other, at least one hundred-eighty (180) days before the effective

date of termination. Should the State exercise this provision, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Should the Contractor exercise this provision, the State shall have no liability to the Contractor except for those units of service which can be effectively used by the State. The final decision as to what these units of service are, shall be determined by the State. In the event of disagreement, the Contractor may file a claim with the Tennessee Claims Commission in order to seek redress.

- 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 terminate the Contract and withhold payments in excess of fair compensation for completed services. The State shall notify the Contractor of the termination in writing. The Termination Notice must (1) specify in reasonable detail the nature of the breach; (2) provide Contractor with an opportunity to cure, which will be waived unless requested by the Contractor within 10 days from the date of the Termination Notice and (3) specify the effective date of termination in the event Contractor fails to correct the breach. The Termination Notice may specify that the Contractor shall cease operations under this Contract in stages. Contractor must present the State with a written request to cure detailing the efforts it will take to resolve the problem including the time for the cure to be implemented. This opportunity to "cure" shall not apply to circumstances in which the Contractor intentionally withholds its services or otherwise refuses to perform. The State will not consider a request to cure contract performance where there have been repeated problems with respect to identical or similar issues, or if a cure period would cause a delay that would impair the effectiveness of State operations. Notwithstanding the above, the Contractor shall not be relieved of liability to 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 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 as Attachment C, 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.
- D.9 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.10 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.11 Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.12 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.13 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.14 State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.15 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.16 State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.17 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.18 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.19 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.20 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:**

Marlene D. Alvarez, RFP Coordinator  
Tennessee Department of Finance & Administration  
Division of Insurance Administration  
312 Eighth Avenue North., 26<sup>th</sup> Floor WRS Tennessee Tower  
Nashville, TN 37243-0295  
Phone: 615-253-8358  
Fax: 615-741-8196  
Email: [marlene.alvarez@state.tn.us](mailto:marlene.alvarez@state.tn.us)

**The Contractor:**

Robert W. Pomfrey, President and CEO  
POMCO, Inc.  
2425 James Street  
Syracuse, NY 13206  
315-432-9171 ext. 4223  
315-315-433-5454  
Email: [rpomfrey@pomcogroup.com](mailto:rpomfrey@pomcogroup.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) Liquidated Damages (hereafter referenced as "Performance Guarantee Assessments", as contained in Contract Attachment A, Performance Guarantees) — In the event of a Breach, the State may assess

Performance Guarantee Assessments. The State shall notify the Contractor of amounts to be assessed. The parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for a Breach by Contractor as said amounts are likely to be uncertain and not easily proven. Contractor hereby represents and covenants it has carefully reviewed the Performance Guarantee Assessments contained in above referenced, Attachment A, and agree that said amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of Breach, and are a reasonable estimate of the damages that would occur from a Breach. It is hereby agreed between the parties that the Performance Guarantee Assessments represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the Performance Guarantee Assessment amounts are in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or other section of this Contract.

The State may continue to assess Performance Guarantee Assessments or a portion thereof until the Contractor cures the Breach, the State exercises its option to declare a Partial Default, or the State terminates the Contract. The State is not obligated to assess Performance Guarantee Assessments before availing itself of any other remedy. The State may choose to discontinue Performance Guarantee Assessments and avail itself of any other remedy available under this Contract or at law or equity; provided, however, Contractor shall receive a credit for said Performance Guarantee Assessments previously assessed except in the event of a Partial Default.

- (3) Partial Default— In the event of a Breach, the State may declare a Partial Default. In which case, the State shall provide the Contractor written notice of: (1) the date which Contractor shall terminate providing the service associated with the Breach; and (2) the date the State will begin to provide the service associated with the Breach. Notwithstanding the foregoing, the State may revise the time periods contained in the notice written to the Contractor.

In the event the State declares a Partial Default, the State may withhold, together with any other damages associated with the Breach, from the amounts due the Contractor the greater of: (1) amounts which would be paid the Contractor to provide the defaulted service; or (2) the cost to the State of providing the defaulted service, whether said service is provided by the State or a third party. To determine the amount the Contractor is being paid for any particular service, the Department shall be entitled to receive within five (5) days any requested material from Contractor. The State shall make the final and binding determination of said amount.

The State may assess Performance Guarantee Assessment amounts against the Contractor for any failure to perform which ultimately results in a Partial Default with said Performance Guarantee Assessment amounts to cease when said Partial Default is effective. Upon Partial Default, 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. Contractor agrees to cooperate fully with the State in the event a Partial Default is taken

(4) 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 Partial Takeover. The State may, at its convenience and without cause, exercise a partial takeover of any service which the Contractor is obligated to perform under this Contract, including but not limited to any service which is the subject of a subcontract between Contractor and a third party, although the Contractor is not in Breach (hereinafter referred to as "Partial Takeover"). Said Partial Takeover shall not be deemed a Breach of Contract by the State. Contractor shall be given at least 30 days prior written notice of said Partial Takeover with said notice to specify the area(s) of service the State will assume and the date of said assumption. Any Partial Takeover by the State shall not alter in any way Contractor's other obligations under this Contract. The State may withhold from amounts due the Contractor the amount the Contractor would have been paid to deliver the service as determined by the State. The amounts shall be withheld effective as of the date the State assumes the service. Upon Partial Takeover, 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.6 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. The Request for Proposal and its associated amendments
- d. Technical Specifications provided to the Contractor
- e. The Contractor's Proposal

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.7 Confidentiality of Records. Strict standards of confidentiality of records shall be maintained in accordance with the 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 State law and ethical standards and 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 State law and ethical standards.

The Contractor will be deemed to have satisfied its obligations under this section by exercising the same level of care to preserve the confidentiality of the State's information as the Contractor exercises to protect its own confidential information so long as such standard of care does not violate the applicable provisions of the first paragraph of this section.

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.

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

- E.8 Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

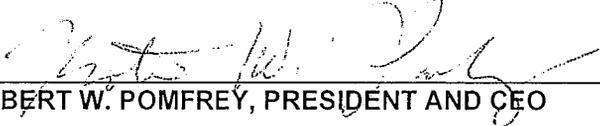
- E.9 Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts 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 TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.

- E.10 Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it and its principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State department or agency;
  - b. 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;
  - c. 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
  - d. 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.
- E.11 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.
- a. 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.
  - b. 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.
  - c. 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. See Attachment 6.1.1.
- E.12 Additional Plan Options: The State reserves the right to provide additional plan options, secured through a separate competitive procurement, for Medicare eligible retirees during the term of this contract.

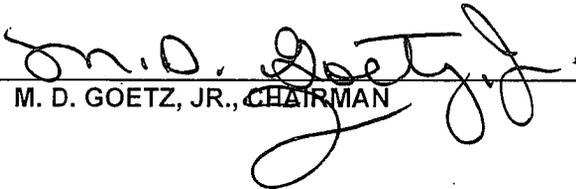
IN WITNESS WHEREOF:

POMCO, Inc.:

  
ROBERT W. POMFREY, PRESIDENT AND CEO DATE 11/28/06

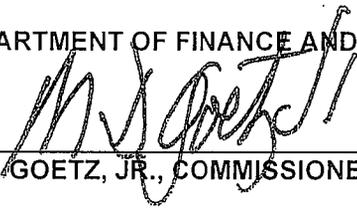
PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY

STATE OF TENNESSEE,  
STATE INSURANCE COMMITTEE:

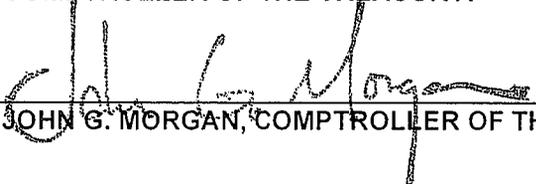
  
M. D. GOETZ, JR., CHAIRMAN DATE 12-6-06

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

  
M. D. GOETZ, JR., COMMISSIONER DATE DEC 21 2006

COMPTROLLER OF THE TREASURY:

  
JOHN G. MORGAN, COMPTROLLER OF THE TREASURY DATE 12/27/06

**Contract Attachment A  
Performance Guarantees**

The Contractor shall pay to the State the indicated total dollar assessment upon notification by the State that an amount is due, through the life of the contract.

<b>1. Claims Payment Dollar Accuracy (see Contract Section A.2.14)</b>	
Guarantee	The average quarterly financial accuracy for claims payments will be 95% or higher.
Definition	Claims Payment Dollar Accuracy is defined as the absolute value of financial errors divided by the total paid value of Contractor audited dollars paid.
Assessment	<b>\$1000</b> for each full percentage point below 95% for each contracted quarter.
Compliance report	The Compliance Report is the quarterly internal audit performed by the Contractor on a statistically valid sample of claims. The Contractor shall measure and report results quarterly. Performance will be reconciled annually.
<b>2. Claims Processing Accuracy (see Contract Section A.2.14)</b>	
Guarantee	The average quarterly processing accuracy will be 95% or higher.
Definition	Claims Processing Accuracy is defined as the absolute number of State member claims with no in processing or procedural errors, divided by the total number of State member claims within the audit sample. <u>This excludes financial errors.</u>
Assessment	<b>\$1000</b> for each full percentage point below 95%, for each contracted quarter.
Compliance report	The Compliance Report is the quarterly internal audit performed by the Contractor on a statistically valid sample of claims. The Contractor shall measure and report results quarterly. Performance will be reconciled annually.
<b>3. Telephone Response Time (see Contract Section A.1.3)</b>	
Guarantee	Ninety-five percent (95%) of incoming member services calls will be answered by a member services representative in 30 seconds or less.
Definition	Telephone Response Time is defined as the amount of time elapsing between the time a call is received into the phone system and when a live member services representative answers the phone.
Assessment	<b>\$500</b> for each full second over the 30 second benchmark. Quarterly guarantee.
Compliance report	The Compliance Report is the Contractor's internal telephone support system reports. Performance will be measured quarterly; reported and reconciled annually. <b>Compliance with this Performance Guarantee will be waived for the first quarter of the contract.</b>
<b>4. Member Satisfaction (see Contract Section A.1.10)</b>	
Guarantee	The level of overall customer satisfaction, as measured annually by a State approved Member Satisfaction survey(s), will be equal to or greater than 85% in the first year of the Contract, and 90% in all subsequent year(s) within the contract term.
Definition	Member Satisfaction will be measured utilizing the most current National Committee on Quality Assurance (NCQA) Adult Member Satisfaction Survey question that measures overall satisfaction.
Assessment	<b>\$5,000</b> . Annual guarantee.
Compliance report	The Compliance Report is the Contractor's results from National Committee Quality Assurance (NCQA) annual Adult Member Satisfaction Survey. Performance will be measured, reported, and reconciled annually.
<b>5.a. Weekly Enrollment Update (see Contract Section A.4.2.1)</b>	
Guarantee	1. The Contractor will systematically process and update, via computer programs, the Contractor's database, utilizing the State's weekly enrollment file records, within three (3) working days of receipt of the files from the State. 2. Contractor will resolve all mismatches identified by the processing of the weekly files, within six (6) working days of receipt of the files from the State. "Mismatches" are defined as: any difference of values between the State's and the Contractor's databases.
Definition	Guarantee 1 is defined as the demonstrated actual processing and updating of the Contractor's data based on the State's weekly enrollment file records. Guarantee 2 is defined as the demonstrated correction of "mismatches" identified in the State's weekly enrollment file records.
Assessment	For Guarantee 1 and 2, both separately and individually, the Contractor will be assessed <b>\$100</b> per day for the first (1 <sup>st</sup> ) and second (2 <sup>nd</sup> ) working days out of compliance; <b>\$500</b> per

	working day thereafter.
Compliance report	Compliance reported by Contractor's submission of the <i>Weekly Enrollment Update Report</i> within seven (7) working days of the receipt of the weekly files. Weekly Update is measured and reported weekly; and reconciled annually.
<b>5.b. Quarterly Enrollment Data Reconciliation (see Contract Section A.4.2.2)</b>	
Guarantee	1. The Contractor will 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) working days of receipt of the file from the State. 2. Contractor will 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) working days of the receipt of the files from the State.
Definition	Guarantee 1 is defined as the demonstrated actual comparison and updating of the Contractor's data base based on the on the State's quarterly full file of State enrollees. Guarantee 2 is defined as the demonstrated correction of "mismatches" identified in the State's quarterly full file records.
Assessment	For Guarantee 1 and 2, both separately and individually, the Contractor will be assessed <b>\$100</b> per day for the first (1 <sup>st</sup> ) and second (2 <sup>nd</sup> ) working days out of compliance; <b>\$500</b> per working day thereafter.
Compliance report	Compliance reported by Contractor's submission of the <i>Quarterly Enrollment Data Reconciliation Report</i> within eleven (11) working days of the receipt of the quarterly files. Enrollment Reconciliation is measured and reported quarterly and reconciled annually.
<b>6. Tennessee Insurance System Interface (see Contract Section A.4.1)</b>	
Guarantee	Contractor's interface with the Tennessee Insurance System (TIS) will be fully operational by December 12, 2006.
Definition	Fully operational with the TIS interface shall mean that electronic files received by the Contractor from the State of Tennessee via VPN, 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.
Assessment	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 assessment of <b>\$500</b> per day, for every day out of compliance, until the interface is fully operational.
Compliance report	Compliance as reported by Plan operations. Measured and reported beginning December 2, 2006 and continuing – as necessary – until the interface is fully operational. (Reconciled upon final recognition of operational status.)
<b>7. Member ID Card Distribution (see Contract Section A.2.9)</b>	
Guarantee	Member ID cards must be distributed (defined as "mailed") to a minimum of 90% of plan members within fourteen (14) days from when enrollment information is received from the State, for each contract year.
Definition	The actual distribution to plan members within 14 days for a minimum of 90% of all member Id cards .
Assessment	Should the above standard not be met, the total amount shall be <b>\$5,000</b> per year in which the standard is not met.
Compliance report	Compliance Report submitted by Contractor. Performance is measured, reported, and reconciled annually.

## **Contract Attachment B Management Reporting Requirements**

As required by Contract Section A.5, the Contractor shall submit Management Reports by which the State can assess the PPO program's general activity and usage, as well as treatment and success tendencies. Reports shall be submitted in hard copy or electronic format, and shall be of the type and at the frequency indicated below. 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:

- Status report narrative
- Detail report on each performance measure by appropriate time period

**2) Financial data:**

- A report depicting total charges and total dollars paid by the plan for the calendar quarter, split by provider types hospital, physician, pharmacy, ambulatory, and other. A separate report should also be provided showing the same paid claims information on a calendar year-to-date basis.
- A claims lag report depicting claims paid for each of the three (3) months of the current calendar quarter, along with the year and month they were incurred. Specifically, the report should include four (4) columns representing the year and month paid (one column for each month of the current calendar quarter, and a total), along with various rows as needed, representing the month and year incurred. Also, the same information should also be provided in a separate report on a paid calendar year-to-date basis. The purpose of this is to allow the Division of Insurance Administration and the Division of Accounts to prepare claims lag reports to project Incurred but not Reported (IBNR) claims.

**CONTRACT ATTACHMENT C**

**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	POMCO, Inc.
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	15-0581348

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.

SIGNATURE &  
DATE:

 11/25/06

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.

**Attachment D**  
**Tennessee Insurance System (TIS) formats**

**EXPLANATION OF VENDOR TRANSACTION PROCESS**

The Tennessee Insurance System (TIS) is an administrative computer system for handling eligibility, enrollment, and premiums for participants in the state's group insurance programs. The mainframe based system was designed by a consulting firm and was implemented in 1991.

Eligibility and enrollment information is keyed into TIS by "insurance preparers" at state agencies and at participating Local Education Agencies. There are a few Local Government Agencies also keying information directly into TIS. Data for members of the University of Tennessee and the Tennessee Board of Regents schools is received and loaded electronically into TIS. Premium calculation and accounting is another major feature of TIS.

Each day eligibility, enrollment, and premium information is entered and processed by the system. (The optional term life, optional universal life, and long term care vendors submit enrollment updates and premium due records to TIS once per month.) Nightly computer jobs update data in TIS and create appropriate accounting entries for STARS (the State's centralized accounting system). Weekly computer jobs create transactions to be sent to the vendors. Monthly jobs primarily finalize premium accounting for the month and set-up future premium information. Each job cycle creates defined notifications and reports.

**THE WEEKLY PROCEDURES ARE:**

1. From the transactions that have been generated by the Nightly Batch Processing throughout the week, the "DP" (Demographic Change), the "RC" (Participant Retro Cancel) and the "DC" (Dependent Retro Cancel) transactions are separated to individual files. All other transactions are saved for merging before transactions are separated by vendor.
2. Next, the Enrollment Match program, which generates the "AP", "CP" and "TP" transactions, operates on the general premise that if the Head of Contract or Dependent was not on file last week and is on file this week, generate an "AP" (Add Head of Contract/Dependent) transaction. If the Head of Contract/Dependent was on the file last week and is not on file this week, generate a "TP" (Terminate Participant/Dependent) transaction. If the Head of Contract/Dependent was on the file last week, is still on the file this week, and the enrollment information (coverage level, effective date, or extend reason code) has changed, generate a "CP" (Change Participant/Dependent) transaction. Also, the "PX" (pre-existing condition waiver) transactions are created. The only exception to this scenario is when the Head of Contract is going from Family coverage to Single coverage on the current health enrollment. No "TP" transactions for Dependents are generated when this happens. Also, if the Participant is going from any Active status to Retired status, a "TB" transaction is created for the Basic Life coverage vendor to allow the person to continue his Basic Life coverage (at a modest fee). Next, the "AP" transactions are massaged and combined with all the other "AP" transactions for this month, and placed on a keyed (VSAM) file. This is to check for the situations where an employee comes to work, applies for insurance and then terminates before the insurance becomes effective (i.e. if the "AP" transaction was sent to the vendor, then

- the "TP" transaction must be sent; if the "AP" was never sent, then don't send the "TP" transaction). The VSAM file is reset the first daily run after Month-end.
3. Now more "TB" transactions are created for the Basic Life vendor from the remaining "TP" transactions, again to allow the person to continue his Basic Life coverage. This process has two steps: first "TB" transactions are created from "TP" transactions; second the "TB" transactions are validated to ensure that the person is not merely terminating one vendor and adding another. If the person has no more health coverage of any type, the "TB" transaction is dropped; otherwise, the "TB" transaction continues through the process.
  4. Next, the "CP"/"PX", "AP" and "TP" transactions are separated to individual files.
  5. Now the following happens:
    - The AP's and DP's are combined, dropping the "DP" if a matching "AP" exists.
    - The RC's and TP's are combined, dropping the "TP" if a matching "RC" exists.
    - The remaining TP's and the DC's are combined, dropping the "TP" if a matching "DC" exists.
    - The remaining AP/DP's, CP/PX's, RC's and the DC/TP's are merged back together.
  6. Finally, the transactions from step "5" above are merged with all other transactions into one file. This file is used to separate the transactions into individual files, including a backup copy, for each vendor. There are many steps to this process, in that vendors with multiple plans are combined into single files and the transactions that are sent to the EAP/Mental Health and Substance Abuse vendor are created.

**TIS will send a Weekly Update File containing:**

- Coverage Additions/Changes/Terminations:
  - 1) Coverage updates will be entered into TIS.
  - 2) Coverage addition and change transactions will be created by TIS and sent to vendors on a weekly basis on the Weekly Update File using the "AP" and "CP" transaction types. Termination, "TP", transaction type will be sent weekly; the majority will be sent within the weekly file after the TIS Month-end run.
  - 3) Coverage addition, change and termination transactions contain a timestamp, transaction type, contract SSN, Subject SSN (head of contract or dependent) and program-id that represent the unique key for each transaction.
  - 4) Vendors must update their database weekly to reflect coverage additions, changes and terminations. They must process coverage changes for both heads of contract and dependents immediately.
- RETROACTIVE Coverage Changes:
  - 1) Retroactive (retro) changes are changes that affect coverage for some period in the past. Examples include changing effective dates or termination dates that have already passed.
  - 2) Retroactive coverage updates will also be entered into TIS by State insurance representatives, and will be included on the Weekly Update File (transaction types "RB", "RP", "RD", "RC", "RR", "DD", "DC", and "DR").
  - 3) Retro change transactions contain a timestamp, transaction type, contract SSN, Subject SSN (head of contract or dependent) and program-id that represent the unique key for each transaction.
  - 4) Vendors should post all or some of the retroactive changes in an automated fashion. However, it may sometimes be necessary to print and manually update the records in the vendors' systems within the required time frames.
  - 5) Vendors must update their databases weekly to reflect retro changes for both heads of contract and dependents.
- SSN and Demographic Data Changes:

- 1) TIS will capture SSN and demographic data (personnel-type data) changes as they are posted in TIS.
- 2) TIS will send vendors SSN and demographic data change transactions ("SP" and "DP") on the Weekly Update File.
- 3) SSN and demographic transactions contain a timestamp, transaction type, contract SSN, Subject SSN (head of contract or dependent) and program-id that represent the unique key for each transaction.
- 4) Vendors must update their databases weekly to reflect SSN and demographic data changes for both heads of contract and dependents.

**THE MONTHLY PROCEDURES ARE:**

TIS will send fully-insured vendors a Monthly Certification File containing:

- Certification of Premium Payments to Vendors:
  - 1) TIS will determine which payments are certified for each specific coverage month based on enrollments and premium payments.
  - 2) TIS will send a file of certified enrollees to fully-insured vendors each month on the Monthly Certification File. This file can be kept separate or merged with the weekly transaction update file.
  - 3) The file will include one transaction ("CE") for each enrollee's coverage month that has been paid for and needs to be certified. If the enrollee pays for multiple coverage months with a payment, then this file will include multiple records ("CE") for that enrollee.
  - 4) The file will not include a certification ("CE") or uncertification ("UE") record for an enrollee who has not paid for the current month being processed by TIS. The vendor should suspend claims payment for expenses incurred during the month that no certification is received for an individual.
  - 5) The file will include an uncertification record ("UE") when a previously certified month is no longer paid for due to a retroactive change. TIS will produce multiple "UE" records when more than one time period has been unpaid. The vendor should suspend claims payment for expenses incurred during the month that was uncertified.
  - 6) Certification and uncertification records could be in one file for the same individual. The records are enrollment program and time period specific.
  - 7) The record layout will include (see 'CE/UE Interface Transaction Layouts'):
    - the head of contract social security number (SSN)
    - basic personnel-type data (last name, budget code, etc.)
    - the coverage type (program-ID)
    - the coverage month being referenced.
  - 8) Fully-insured vendors should post the file to their databases to identify:
    - certified members
    - members with a deduction expected but not taken
    - members with a deduction taken but not expected
    - members with uncertification records.

TIS will send self-insured vendors Monthly Hold Claims/Release Hold records containing:

- Payment information for heads of contract past due or previously past due and now paid
  - 1) TIS will determine which payments are certified for each specific coverage month based on enrollments and premium payments.
  - 2) TIS will only produce hold claims ("HC") records for those heads of contract who are not in a current pay status. TIS will only produce release hold ("RH") records for those heads of contract who were past due with premium payments and have

now paid for the month that was past due. No premium type records will be sent to the vendors for heads of contract who are consistently paying the current amounts due.

- 3) The vendor should suspend claims payment for expenses incurred after the paid-through date in the hold claims ("HC") records.
- 4) The file will include a transaction for each head of contract past due showing an original due date and a transaction for each head of contract paying for a past due month showing the paid through date. If the head of contract pays for a past due month and does not pay for a current month, then a release hold ("RH") record and a hold claim ("HC") record will be produced.
- 5) The record layout will include (see 'HC/RH Interface Transaction Layouts'):
  - the head of contract social security number (SSN)
  - basic personnel-type data (last name, budget code, etc.)
  - the coverage type (program-ID)
  - the original due date
  - the paid through date
- 6) Self-insured vendors should post the records to their databases to identify:
  - Heads of contract with past due premiums
  - Heads of contract who have now paid past due premiums

The month-end records, normally produced the 5<sup>th</sup> calendar day of each month, will be combined with the next weekly file and transmitted to the vendors.

#### **OTHER KEY POINTS AFFECTING THE TIS/PROVIDER INTERFACE INCLUDE:**

- TIS 60 Byte Addresses:
  - 1) TIS maintains 60 bytes of address information for each participant.
  - 2) Two 30-byte fields are included on Add Enrollment ("AP") and on Demographic Change ("DP") transactions. Normally the second address line will contain the apartment number.
  - 3) Vendors must maintain this address information and ensure that data is not lost, resulting in addresses being 'Not Deliverable'.
- Transactions Must Be Processed in Timestamp Order:
  - 1) All update transactions sent from TIS to vendors include a timestamp to identify when the change took place in TIS.
  - 2) Vendors must process all changes in timestamp order regardless of the transaction type (future enrollments, retro changes, SSN and demographic data changes) in order to ensure that changes are posted as they were entered into TIS.
  - 3) Multiple transactions may be sent for heads of contract and dependents. This may occur when the transactions involve different enrollment programs and/or time periods.
- Attachments: Descriptions and layouts for the transactions sent from TIS to vendors are attached. The descriptions communicate the business function being performed by the transaction. The layout communicates the specific data elements included in the transaction. Copies of the TIS codes tables are also attached.

STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
INTERFACE TRANSACTION LAYOUT

1 TRANSACTION

POSITION

DESCRIPTION	DATA ELEMENT	SIZE	FROM	THRU	TYPE	DESCRIPTION
<b>ADD ENROLLMENT – PROVIDER</b>						
*	SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.
	TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.
*	TRANS TYPE	2	26	27	A	TRANSACTION TYPE: AP
	SSN (CONTRACT)	9	28	36	N	SSN CONTRACT
	SSN (CURRENT)	9	37	45	N	SSN OF TRANS. PART. OR DEP.
	SSN (OTHER)	9	46	54	N	<b>NOT USED IN THIS TRANSACTION</b>
	LAST NAME	15	55	69	A	LAST NAME OF SUBJECT
	FIRST NAME	15	70	84	A	FIRST NAME OF SUBJECT
	MIDDLE INITIAL	1	85	85	A	MIDDLE INITIAL OF SUBJECT
*	RELATIONSHIP CODE	2	86	87	A	DEP. RELATIONSHIP CODE
	SEX CODE	1	88	88	A	SEX – M OR F
	BIRTH DATE	8	89	96	N	DATE OF BIRTH CCYYMMDD
	GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT
*	UNIT CODE	3	99	101	A	SIGNIFIES TYPE OF ELIGIBILITY
	BUDGET CODE	9	102	110	A	BUDGET CODE & WORK CENTER
	MARITAL STATUS	1	111	111	A	S, M, D, W
	CNTY RES CODE	3	112	114	N	COUNTY OF RESIDENCE
	CNTY WRK CODE	3	115	117	N	COUNTY OF WORK
	ADDRESS LINE #1	30	118	147	A	ADDRESS LINE # 1
	ADDRESS LINE #2	30	148	177	A	ADDRESS LINE # 2 (APT #)
	CITY	15	178	192	A	CITY
	STATE	2	193	194	A	STATE
	ZIP CODE	9	195	203	N	ZIP + 4
	HIRE DATE	8	204	211	N	FIRST DAY OF WORK CCYYMMDD
*	PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER
	APPLY DATE	8	222	229	N	DATE APPLIED FOR INSURANCE
	EFFECTIVE DATE	8	230	237	N	ENROLLMENT EFFECTIVE DATE
***	TERM DATE	8	238	245	N	<b>NOT USED IN THIS TRANSACTION</b>
*	TERM ENRL REASON CD	2	246	247	A	<b>NOT USED IN THIS TRANSACTION</b>
	STUDENT STAT CD	1	248	248	A	Y OR N IF DEPENDENT A STUDENT
*	EXTEND REASON CD	2	249	250	A	OVERRIDE TO EXTEND COVERAGE
	USER ID	8	251	258	A	USER INITIATING THIS TRANSACTION
	PREEXISTING FLAG	1	259	259	A	PREEXISTING CLAUSE APPLIES, VALUES 'Y', 'N' OR SPACE
**	PREEXISTING DATE	8	260	267	N	DATE PREEXISTING STARTS, VALUES: PARTICIPANT - HIRE DATE DEPENDENT – ACQUIRE DATE
	FILLER	3	268	270	A	VALUE SPACES

\* Valid values for these fields are listed in the TIS Codes Tables.  
 \*\* Preexisting is only sent on health enrollments.  
 \*\*\* Fields are populated on the quarterly full population reconciliation file.

STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
INTERFACE TRANSACTION LAYOUT

2 TRANSACTION

POSITION

DESCRIPTION DATA ELEMENT	SIZE	FROM	THRU	TYPE	DESCRIPTION
<b>CHANGE ENROLLMENT – PROVIDER</b>					
*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.
TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.
*TRANS TYPE	2	26	27	A	TRANSACTION TYPE: CP
SSN (CONTRACT)	9	28	36	N	SSN CONTRACT
SSN (CURRENT)	9	37	45	N	SSN OF TRANS. PART. OR DEP.
SSN (OTHER)	9	46	54	N	NOT USED IN THIS TRANSACTION
LAST NAME	15	55	69	A	NOT USED IN THIS TRANSACTION
FIRST NAME	15	70	84	A	NOT USED IN THIS TRANSACTION
MIDDLE INITIAL	1	85	85	A	NOT USED IN THIS TRANSACTION
*RELATIONSHIP CODE	2	86	87	A	NOT USED IN THIS TRANSACTION
SEX CODE	1	88	88	A	NOT USED IN THIS TRANSACTION
BIRTH DATE	8	89	96	N	NOT USED IN THIS TRANSACTION
GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT
*UNIT CODE	3	99	101	A	NOT USED IN THIS TRANSACTION
BUDGET CODE	9	102	110	A	NOT USED IN THIS TRANSACTION
MARITAL STATUS	1	111	111	A	NOT USED IN THIS TRANSACTION
CNTY RES CODE	3	112	114	N	NOT USED IN THIS TRANSACTION
CNTY WRK CODE	3	115	117	N	NOT USED IN THIS TRANSACTION
ADDRESS LINE #1	30	118	147	A	NOT USED IN THIS TRANSACTION
ADDRESS LINE #2	30	148	177	A	NOT USED IN THIS TRANSACTION
CITY	15	178	192	A	NOT USED IN THIS TRANSACTION
STATE	2	193	194	A	NOT USED IN THIS TRANSACTION
ZIP CODE	9	195	203	N	NOT USED IN THIS TRANSACTION
HIRE DATE	8	204	211	N	NOT USED IN THIS TRANSACTION
*PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER
APPLY DATE	8	222	229	N	DATE APPLIED FOR INSURANCE
EFFECTIVE DATE	8	230	237	N	ENROLL EFF. DATE – 1 <sup>ST</sup> OF MONTH
TERM DATE	8	238	245	N	ENROLL TERM. DATE – LAST OF MON
*TERM ENRL REASON CD	2	246	247	A	ENROLL TERM REASON CODE
STUDENT STAT CD	1	248	248	A	NOT USED IN THIS TRANSACTION
*EXTEND REASON CD	2	249	250	A	NOT USED IN THIS TRANSACTION
USER ID	8	251	258	A	USER INITIATING THIS TRANSACTION
FILLER	2	259	260	A	VALUE SPACES
** PREEXISTING FLAG	1	259	259	A	PREEXISTING CONDITION EXISTS, VALUES 'Y', 'N' OR SPACE
** PREEXISTING DATE	8	260	267	N	DATE OF PREEXEISTING CONDITION VALUES: PARTICIPANT - HIRE DATE DEPENDENT – ACQUIRE DATE
FILLER	3	268	270	A	VALUE SPACES

- \* Valid values for these fields are listed in the TIS Codes Tables.
- \*\* Preexisting are only sent on health enrollments.

STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
INTERFACE TRANSACTION LAYOUT

3	TRANSACTION			POSITION		
DESCRIPTION	DATA ELEMENT	SIZE	FROM	THRU	TYPE	DESCRIPTION
<b>CHANGE DEMOGRAPHIC DATA – PROVIDER</b>						
	*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.
	TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.
	*TRANS TYPE	2	26	27	A	TRANSACTION TYPE: DP
	SSN (CONTRACT)	9	28	36	N	SSN CONTRACT
	SSN (CURRENT)	9	37	45	N	SSN OF TRANS. PART. OR DEP.
	SSN (OTHER)	9	46	54	N	<b>NOT USED IN THIS TRANSACTION</b>
	LAST NAME	15	55	69	A	LAST NAME OF SUBJECT
	FIRST NAME	15	70	84	A	FIRST NAME OF SUBJECT
	MIDDLE INITIAL	1	85	85	A	MIDDLE INITIAL OF SUBJECT
	*RELATIONSHIP CODE	2	86	87	A	DEP. RELATIONSHIP CODE
	SEX CODE	1	88	88	A	SEX – M OR F
	BIRTH DATE	8	89	96	N	DATE OF BIRTH CCYYMMDD
	GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT
	*UNIT CODE	3	99	101	A	SIGNIFIES TYPE OF ELIGIBILITY
	BUDGET CODE	9	102	110	A	BUDGET CODE & WORK CENTER
	MARITAL STATUS	1	111	111	A	S, M, D, W
	CNTY RES CODE	3	112	114	N	COUNTY OF RESIDENCE
	CNTY WRK CODE	3	115	117	N	COUNTY OF WORK
	ADDRESS LINE #1	30	118	147	A	ADDRESS LINE # 1
	ADDRESS LINE #2	30	148	177	A	ADDRESS LINE # 2 (APT #)
	CITY	15	178	192	A	CITY
	STATE	2	193	194	A	STATE
	ZIP CODE	9	195	203	N	ZIP + 4
	HIRE DATE	8	204	211	N	FIRST DAY OF WORK CCYYMMDD
	*PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER
	APPLY DATE	8	222	229	N	<b>NOT USED IN THIS TRANSACTION</b>
	EFFECTIVE DATE	8	230	237	N	<b>NOT USED IN THIS TRANSACTION</b>
	TERM DATE	8	238	245	N	<b>NOT USED IN THIS TRANSACTION</b>
	*TERM ENRL REASON CD	2	246	247	A	<b>NOT USED IN THIS TRANSACTION</b>
	STUDENT STAT CD	1	248	248	A	Y OR N IF DEPENDENT A STUDENT
	*EXTEND REASON CD	2	249	250	A	OVERRIDE TO EXTEND COVERAGE
	USER ID	8	251	258	A	USER INITIATING THIS TRANSACTION
	FILLER	12	259	270	A	VALUE SPACES

\* Valid values for these fields are listed in the TIS Codes Tables.

STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
INTERFACE TRANSACTION LAYOUT

4 TRANSACTION

POSITION

DESCRIPTION DATA ELEMENT                      SIZE    FROM THRU TYPE                      DESCRIPTION

**HOLD CLAIMS – SELF-INSURED PROVIDER**

*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.
TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.
*TRANS TYPE	2	26	27	A	TRANSACTION TYPE: HC
SSN (CONTRACT)	9	28	36	N	SSN CONTRACT
FILLER	18	37	54	A	VALUE SPACES
LAST NAME	15	55	69	A	LAST NAME OF SUBJECT
FILLER	27	70	96	A	VALUE SPACES
GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT
FILLER	3	99	101	A	VALUE SPACES
BUDGET CODE	9	102	110	A	BUDGET CODE & WORK CENTER
FILLER	101	111	211	A	VALUE SPACES
*PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER
CURRENT PREM COLL	6	222	227	N	<b>NOT USED IN THIS TRANSACTION</b>
ORIGINAL DUE DATE	8	228	235	N	HOLD CLAIMS AFTER - CCYYMMDD
CERT. DATE	8	236	243	N	<b>NOT USED IN THIS TRANSACTION</b>
FILLER	27	244	270	A	VALUE SPACES

**RELEASE HOLD CLAIM – SELF-INSURED PROVIDER**

*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.
TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.
*TRANS TYPE	2	26	27	A	TRANSACTION TYPE: RH
SSN (CONTRACT)	9	28	36	N	SSN CONTRACT
FILLER	18	37	54	A	VALUE SPACES
LAST NAME	15	55	69	A	LAST NAME OF SUBJECT
FILLER	27	70	96	A	VALUE SPACES
GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT
FILLER	3	99	101	A	VALUE SPACES
BUDGET CODE	9	102	110	A	BUDGET CODE & WORK CENTER
FILLER	101	111	211	A	VALUE SPACES
*PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER
CURRENT PREM COLL	6	222	227	N	<b>NOT USED IN THIS TRANSACTION</b>
ORIGINAL DUE DATE	8	228	235	N	<b>NOT USED IN THIS TRANSACTION</b>
CERT. DATE	8	236	243	N	RELSE CLAIMS ON/BEFORE THIS DAT
FILLER	27	244	270	A	VALUE SPACES            CCYYMMDD

\* Valid values for these fields are listed in the TIS Codes Tables.

**STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
INTERFACE TRANSACTION LAYOUT**

**5 TRANSACTION**

**POSITION**

**DESCRIPTION DATA ELEMENT                      SIZE      FROM THRU TYPE                      DESCRIPTION**

**RETROACTIVE CHANGE – PROVIDER**

*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.
TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.
<b>*TRANS TYPE</b>	<b>2</b>	<b>26</b>	<b>27</b>	<b>A</b>	<b>TRANSACTION TYPE: RB,RP,RC,RD,</b>
SSN (CONTRACT)	9	28	36	N	SSN CONTRACT <b>RR,DC,DD,DR</b>
SSN (CURRENT)	9	37	45	N	SSN OF TRANS. PART. OR DEP.
SSN (OTHER)	9	46	54	N	<b>NOT USED IN THIS TRANSACTION</b>
LAST NAME	15	55	69	A	LAST NAME OF SUBJECT
FIRST NAME	15	70	84	A	FIRST NAME OF SUBJECT
MIDDLE INITIAL	1	85	85	A	MIDDLE INITIAL OF SUBJECT
*RELATIONSHIP CODE	2	86	87	A	DEP. RELATIONSHIP CODE
SEX CODE	1	88	88	A	SEX – M OR F
BIRTH DATE	8	89	96	N	DATE OF BIRTH CCYYMMDD
GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT
*UNIT CODE	3	99	101	A	SIGNIFIES TYPE OF ELIGIBILITY
BUDGET CODE	9	102	110	A	BUDGET CODE & WORK CENTER
FILLER	75	111	185	A	VALUE SPACES
*PROGRAM ID (OLD)	10	186	195	A	TYPE OF COVERAGE & CARRIER
PERIOD BEGIN DATE (OLD)	8	196	203	N	FIRST DAY OF PERIOD BEING CHANG
PERIOD END DATE (OLD)	8	204	211	N	LAST DATE OF PERIOD BEING CHANG
*PROGRAM ID (NEW)	10	212	221	A	TYPE OF COVERAGE & CARRIER
FILLER	8	222	229	A	VALUE SPACES
PERIOD BEGIN DATE (NEW)	8	230	237	N	NEW BEGIN DATE FOR CHANGE
PERIOD END DATE (NEW)	8	238	245	N	NEW END DATE FOR CHANGE
*TERM ENRL REASON CD (NEW)	2	246	247	A	REASON FOR TERM. ENROLLMENT
FILLER	3	248	250	A	VALUE SPACES
USER ID	8	251	258	A	USER INITIATING THIS TRANSACTION
FILLER	12	259	270	A	VALUE SPACES

- Valid values for these fields are listed in the TIS Codes Tables.

**RB = Participant Budget Code Change**  
**RP = Participant Program Change**  
**RC = Participant Cancellation**  
**RD = Participant Effective Date Change**  
**RR = Participant Coverage Reinstatement**  
**DC = Dependent Cancellation**  
**DD = Dependent Effective Date Change**

**DR = Dependent Coverage Reinstatement**

STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
INTERFACE TRANSACTION LAYOUT

6	TRANSACTION					POSITION
DESCRIPTION DATA ELEMENT	SIZE	FROM	THRU	TYPE	DESCRIPTION	
<b>CHANGE SOCIAL SECURITY NUMBER – PROVIDER</b>						
*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.	
TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.	
*TRANS TYPE	2	26	27	A	<b>TRANSACTION TYPE: SP</b>	
SSN (CONTRACT)	9	28	36	N	SSN CONTRACT	
SSN (CURRENT)	9	37	45	N	PREVIOUS (INCORRECT) SSN	
SSN (OTHER)	9	46	54	N	NEW (CORRECTED) SSN	
LAST NAME	15	55	69	A	LAST NAME OF SUBJECT	
FIRST NAME	15	70	84	A	<b>NOT USED IN THIS TRANSACTION</b>	
MIDDLE INITIAL	1	85	85	A	<b>NOT USED IN THIS TRANSACTION</b>	
*RELATIONSHIP CODE	2	86	87	A	<b>NOT USED IN THIS TRANSACTION</b>	
SEX CODE	1	88	88	A	<b>NOT USED IN THIS TRANSACTION</b>	
BIRTH DATE	8	89	96	N	<b>NOT USED IN THIS TRANSACTION</b>	
GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT	
*UNIT CODE	3	99	101	A	<b>NOT USED IN THIS TRANSACTION</b>	
BUDGET CODE	9	102	110	A	<b>NOT USED IN THIS TRANSACTION</b>	
MARITAL STATUS	1	111	111	A	<b>NOT USED IN THIS TRANSACTION</b>	
CNTY RES CODE	3	112	114	N	<b>NOT USED IN THIS TRANSACTION</b>	
CNTY WRK CODE	3	115	117	N	<b>NOT USED IN THIS TRANSACTION</b>	
ADDRESS LINE #1	30	118	147	A	<b>NOT USED IN THIS TRANSACTION</b>	
ADDRESS LINE #2	30	148	177	A	<b>NOT USED IN THIS TRANSACTION</b>	
CITY	15	178	192	A	<b>NOT USED IN THIS TRANSACTION</b>	
STATE	2	193	194	A	<b>NOT USED IN THIS TRANSACTION</b>	
ZIP CODE	9	195	203	N	<b>NOT USED IN THIS TRANSACTION</b>	
HIRE DATE	8	204	211	N	<b>NOT USED IN THIS TRANSACTION</b>	
*PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER	
APPLY DATE	8	222	229	N	<b>NOT USED IN THIS TRANSACTION</b>	
EFFECTIVE DATE	8	230	237	N	<b>NOT USED IN THIS TRANSACTION</b>	
TERM DATE	8	238	245	N	<b>NOT USED IN THIS TRANSACTION</b>	
*TERM ENRL REASON CD	2	246	247	A	<b>NOT USED IN THIS TRANSACTION</b>	
STUDENT STAT CD	1	248	248	A	<b>NOT USED IN THIS TRANSACTION</b>	
*EXTEND REASON CD	2	249	250	A	<b>NOT USED IN THIS TRANSACTION</b>	
USER ID	8	251	258	A	USER INITIATING THIS TRANSACTION	
FILLER	12	259	270	A	VALUE SPACES	

\* Valid values for these fields are listed in the TIS Codes Tables.

STATE OF TENNESSEE INSURANCE SYSTEM (TIS)  
 INTERFACE TRANSACTION LAYOUT

7	TRANSACTION				POSITION	
DESCRIPTION DATA ELEMENT	SIZE	FROM	THRU	TYPE	DESCRIPTION	
<b>TERMINATE ENROLLMENT – PROVIDER</b>						
*SOURCE CODE	9	1	9	A	ID SOURCE OF TRANS.	
TIME STAMP	16	10	25	N	DATE & TIME OF TRNS.	
*TRANS TYPE	2	26	27	A	TRANSACTION TYPE: TP	
SSN (CONTRACT)	9	28	36	N	SSN CONTRACT	
SSN (CURRENT)	9	37	45	N	SSN OF TRANS. PART. OR DEP.	
SSN (OTHER)	9	46	54	N	<b>NOT USED IN THIS TRANSACTION</b>	
LAST NAME	15	55	69	A	LAST NAME OF SUBJECT	
FIRST NAME	15	70	84	A	FIRST NAME OF SUBJECT	
MIDDLE INITIAL	1	85	85	A	MIDDLE INITIAL OF SUBJECT	
*RELATIONSHIP CODE	2	86	87	A	<b>NOT USED IN THIS TRANSACTION</b>	
SEX CODE	1	88	88	A	<b>NOT USED IN THIS TRANSACTION</b>	
BIRTH DATE	8	89	96	N	<b>NOT USED IN THIS TRANSACTION</b>	
GROUP CODE	2	97	98	A	ST-STATE TE-TEACHER GL-LCL GVT	
*UNIT CODE	3	99	101	A	<b>NOT USED IN THIS TRANSACTION</b>	
BUDGET CODE	9	102	110	A	<b>NOT USED IN THIS TRANSACTION</b>	
MARITAL STATUS	1	111	111	A	<b>NOT USED IN THIS TRANSACTION</b>	
CNTY RES CODE	3	112	114	N	<b>NOT USED IN THIS TRANSACTION</b>	
CNTY WRK CODE	3	115	117	N	<b>NOT USED IN THIS TRANSACTION</b>	
ADDRESS LINE #1	30	118	147	A	<b>NOT USED IN THIS TRANSACTION</b>	
ADDRESS LINE #2	30	148	177	A	<b>NOT USED IN THIS TRANSACTION</b>	
CITY	15	178	192	A	<b>NOT USED IN THIS TRANSACTION</b>	
STATE	2	193	194	A	<b>NOT USED IN THIS TRANSACTION</b>	
ZIP CODE	9	195	203	N	<b>NOT USED IN THIS TRANSACTION</b>	
HIRE DATE	8	204	211	N	<b>NOT USED IN THIS TRANSACTION</b>	
*PROGRAM ID	10	212	221	A	TYPE OF COVERAGE & CARRIER	
APPLY DATE	8	222	229	N	<b>NOT USED IN THIS TRANSACTION</b>	
EFFECTIVE DATE	8	230	237	N	ENROLLMENT EFFECTIVE DATE	
TERM DATE	8	238	245	N	ENROLL TERM. DATE – LAST OF MON	
*TERM ENRL REASON CD	2	246	247	A	ENROLL TERM REASON CODE	
STUDENT STAT CD	1	248	248	A	<b>NOT USED IN THIS TRANSACTION</b>	
*EXTEND REASON CD	2	249	250	A	<b>NOT USED IN THIS TRANSACTION</b>	
USER ID	8	251	258	A	USER INITIATING THIS TRANSACTION	
FILLER	12	259	270	A	VALUE SPACES	

\* Valid values for these fields are listed in the TIS Codes Tables.

**TIS Function Keys**

The following is a list of process function keys that will assist you in your utilization of TIS. If using a PC, refer to a 3270 Emulation Manual.

PF1 - Help Screen	PF8 - Scroll Down
PF2 - Name Search	PF9 - Restart
PF3 - Code Field Look-Up	PF10 - Main Menu
PF4 - Scroll Top	

**Inquiry**

IM	SYSTEM INQUIRY MENU
EI	ELIGIBILITY INQUIRY
NI	ENROLLMENT INQUIRY
DI	DEPENDENT INQUIRY
TS	TRACK SSN
HI	HISTORY INQUIRY
CO	CURRENT COLLECTION INQUIRY
CP	CURRENT PREMIUM INQUIRY
PP	PREMIUM PAYMENT INQUIRY
RI	RETROACTIVE INQUIRY

**Eligibility Status**

8	Code	Description
	IN	INELIGIBLE
	EA	ELIGIBLE-ACTIVE
	EC	ELIGIBLE-COBRA
	ER	ELIGIBLE-RETIRED
	CS	EL-COBRA-SPINOFF
	ED	EL-DIED-INLINE
	EG	EL-GRANDFATHER

**Ineligibility Reason Code**

Code	Description
DE	DEATH
TE	TERM EMPLOYMENT
GM	GROSS MISCONDUCT (not eligible for COBRA)
AC	APPOINTMENT CHANGE
RE	RETIREMENT
DD	DIED-INLINE-DUTY
AR	AGENCY REQUEST
DF	SURVIVING SPOUSE WITH SPLIT/SNGLSPLIT 6MONTHS FREE COVERAGE)

TIS CODES

Participant Unit Code

Code	Description
CSA	CENT-STATE ACTIVE
UTN	UNIVERSITY-TN ACTIVE (STATE)
TBR	BOARD-OF-REGENT ACTIVE (STATE)
STR	STATE RETIREE
TIA	TIAA-RETIREE (STATE)
OLC	OFF-LINE-CLOSED ACTIVE (STATE)
OLA	OFF-LINE-ADDL ACTIVE (STATE)
SNC	STATE NON-CRIS RETIREE
STL	STATE-LEGISLATOR RETIREE
STC	STATE-COBRA
GA1, 2, or 3	LOCAL GOVERNMENT ACTIVE
GCO	LOCAL GOVERNMENT COBRA
GNC	LOCAL GOVERNMENT NON-CRIS RETIREE
GRE	LOCAL GOVERNMENT RETIREE
TEA	LOCAL EDUCATION TEACHER ACTIVE
TEC	LOCAL EDUCATION COBRA
TEO	LOCAL EDUCATION OTHER ACTIVE (SUPPORT)
TER	LOCAL EDUCATION RETIREE
TNC	LOCAL EDUCATION NON-CRIS RETIREE

Appointment Type

9	Code	Description	Eligibility
	01	REGULAR	ELIG
	02	TEMPORARY-FULL	INELIG
	03	SEASONAL-FULL	INELIG
	04	EMERGENCY	INELIG
	05	TEMP-PROVISIONAL	ELIG
	06	INTERIM	ELIG
	07	LIMITED-TERM-FULL	ELIG
	08*	ELIG-1450	ELIG
	11	REGULAR-PART	INELIG
	13	SEASONAL-PART	INELIG
	17	LIMIT-TERM-PART	INELIG
	18	INELIG-1450	INELIG
	21*	LEAVE-ACTIVE	ELIG
	22*	LEAVE-INACTIVE	INELIG
	23*	LEAVE-WORK-COMP .	ELIG
	51*	DEATH	ELIG
	52*	DIED-IN-LINE	ELIG
	53*	SPOUSE/DEPENDENTS-OF-DIED-IN-LINE	ELIG
	55*	SURVIVING SPOUSE WITH SPLIT COV.	ELIG

*\*Please contact DIA for processing.*

TIS CODES

Relationship Code

Code	Description
SP	SPOUSE
CN	CHILD-NATURAL-OR-ADOPTED
CS	CHILD-STEPCHILD
CL	CHILD-LEGAL
CT	CHILD-TAX

Termination Reason Code (Enrollment)

Code	Description	Comments
AR	AGENCY REQUEST	INELIGIBLE FOR COBRA
DE	DEATH	
CN	CANCELED-NON-PAY	SYSTEM GENERATED (no cobra)
CR	CANCELED-REQUEST	INELIGIBLE FOR COBRA
AC	APPOINTMENT-CHANGE	SYSTEM GENERATED
ME	MEDICARE-ELIGIBLE	
DD	DIED-IN-LINE-DUTY	
DA	DEPEN-AGE-LIMIT	
DT	DEPEND-TRANSFER	SYSTEM GENERATED
DM	DEPEND-MARRIED	
GM	GROSS-MISCONDUCT	INELIGIBLE FOR COBRA
DI	DIVORCE	
PC	PROGRAM-CANCELED	SYSTEM GENERATED
CC	COVERAGE-CHANGED	SYSTEM GENERATED
EA	EMPL-AGE-LIMIT	SYSTEM GENERATED
ET	EMPL-TRANSFER	
HT	HMO-TRANSFER	
TE	TERMINATION OF EMPLOYMENT	
AD	ADMINISTRATIVE DECISION	

Extension Reason Codes

1		
2	Code	Description
3	CD	COBRA DISABILITY
	DC	DISABLED DEPENDENT
	ME	MEDICARE PRIMARY
	NE	NOT ELIGIBLE MEDICARE

TIS CODES

County Codes

001 - ANDERSON	026 - FRANKLIN	051 - LEWIS	076 - SCOTT
002 - BEDFORD	027 - GIBSON	052 - LINCOLN	077 - SEQUATCHIE
003 - BENTON	028 - GILES	053 - LOUDON	078 - SEVIER
004 - BLEDSOE	029 - GRAINGER	054 - McMINN	079 - SHELBY
005 - BLOUNT	030 - GREENE	055 - McNAIRY	080 - SMITH
006 - BRADLEY	031 - GRUNDY	056 - MACON	081 - STEWART
007 - CAMPBELL	032 - HAMBLÉN	057 - MADISON	082 - SULLIVAN
008 - CANNON	033 - HAMILTON	058 - MARION	083 - SUMNER
009 - CARROLL	034 - HANCOCK	059 - MARSHALL	084 - TIPTON
010 - CARTER	035 - HARDEMAN	060 - MAURY	085 - TROUSDALE
011 - CHEATHAM	036 - HARDIN	061 - MEIGS	086 - UNICOI
012 - CHESTER	037 - HAWKINS	062 - MONROE	087 - UNION
013 - CLAIBORNE	038 - HAYWOOD	063 - MONTGOMERY	088 - VAN BUREN
014 - CLAY	039 - HENDERSON	064 - MOORE	089 - WARREN
015 - COCKE	040 - HENRY	065 - MORGAN	090 - WASHINGTON
016 - COFFEE	041 - HICKMAN	066 - OBION	091 - WAYNE
017 - CROCKETT	042 - HOUSTON	067 - OVERTON	092 - WEAKLEY
018 - CUMBERLAND	043 - HUMPHREYS	068 - PERRY	093 - WHITE
019 - DAVIDSON	044 - JACKSON	069 - PICKETT	094 - WILLIAMSON
020 - DECATUR	045 - JEFFERSON	070 - POLK	095 - WILSON
021 - DEKALB	046 - JOHNSON	071 - PUTNAM	096 - OUT OF STATE
022 - DICKSON	047 - KNOX	072 - RHEA	099 - UNDEFINED
023 - DYER	048 - LAKE	073 - ROANE	
024 - FAYETTE	049 - LAUDERDALE	074 - ROBERTSON	
025 - FENTRESS	050 - LAWRENCE	075 - RUTHERFORD	

## Tennessee Insurance Plan Program Identifications

STATE MEDICARE SUPPLEMENT	LOCAL GOVERNMENT MEDICARE SUPPLEMENT
BS-SUP1-SGR2 single retiree (\$50)	BS-SUP1-SNR2 single retiree (\$50)
BS-SUP1-SGR3 single retiree (\$37.50)	BS-SUP1-SNR3 single retiree (\$37.50)
BS-SUP1-SGR4 single retiree (\$25)	BS-SUP1-SNR4 single retiree (\$25)
BS-SUP1-SGR5 single retiree (\$0)	BS-SUP1-SNR5 single retiree (\$0)
BS-SUP1-SGRA single retiree (\$100)	BS-SUP1-SNRA single retiree (\$100)
BS-SUP1-SGRB single retiree (\$87.50)	BS-SUP1-SNRB single retiree (\$87.50)
BS-SUP1-SGRC single retiree (\$75)	BS-SUP1-SNRC single retiree (\$75)
BS-SUP1-SGRD single retiree (\$62.50)	BS-SUP1-SNRD single retiree (\$62.50)
BS-SUP1-1DR2 ret. & 1 dep. (\$50)	BS-SUP1-1RD2 ret. & 1 dep. (\$50)
BS-SUP1-1DR3 ret. & 1 dep. (\$37.50)	BS-SUP1-1RD3 ret. & 1 dep. (\$37.50)
BS-SUP1-1DR4 ret. & 1 dep. (\$25)	BS-SUP1-1RD4 ret. & 1 dep. (\$25)
BS-SUP1-1DR5 ret. & 1 dep. (\$0)	BS-SUP1-1RD5 ret. & 1 dep. (\$0)
BS-SUP1-1DRA ret. & 1 dep. (\$100)	BS-SUP1-1RDA ret. & 1 dep. (\$100)
BS-SUP1-1DRB ret. & 1 dep. (\$87.50)	BS-SUP1-1RDB ret. & 1 dep. (\$87.50)
BS-SUP1-1DRC ret. & 1 dep. (\$75)	BS-SUP1-1RDC ret. & 1 dep. (\$75)
BS-SUP1-1DRD ret. & 1 dep. (\$62.50)	BS-SUP1-1RDD ret. & 1 dep. (\$62.50)
BS-SUP1-2DR2 ret. & 2 depts. (\$50)	BS-SUP1-2RD2 ret. & 2 depts. (\$50)
BS-SUP1-2DR3 ret. & 2 depts. (\$37.50)	BS-SUP1-2RD3 ret. & 2 depts. (\$37.50)
BS-SUP1-2DR4 ret. & 2 depts. (\$25)	BS-SUP1-2RD4 ret. & 2 depts. (\$25)
BS-SUP1-2DR5 ret. & 2 depts. (\$0)	BS-SUP1-2RD5 ret. & 2 depts. (\$0)
BS-SUP1-2DRA ret. & 2 depts. (\$100)	BS-SUP1-2RDA ret. & 2 depts. (\$100)
BS-SUP1-2DRB ret. & 2 depts. (\$87.50)	BS-SUP1-2RDB ret. & 2 depts. (\$87.50)
BS-SUP1-2DRC ret. & 2 depts. (\$75)	BS-SUP1-2RDC ret. & 2 depts. (\$75)
BS-SUP1-2DRD ret. & 2 depts. (\$62.50)	BS-SUP1-2RDD ret. & 2 depts. (\$62.50)
BS-SUP1-1DPD one dep. only	BS-SUP1-1DPR one dep. only
BS-SUP1-2DPD two depts. only	BS-SUP1-2DPR two depts. only
<b>The following programs closed to new enrollments after August 31, 2005</b>	
BS-SUP1-SGR6 single ret (plan 1 incumbent \$50)	BS-SUP1-SNR6 single ret (plan 1 incumbent \$50)
BS-SUP1-SGR7 single ret (plan 1 incumbent \$37.50)	BS-SUP1-SNR7 single ret (plan 1 incumbent \$37.50)
BS-SUP1-SGR8 single ret (plan 1 incumbent \$25)	BS-SUP1-SNR8 single ret (plan 1 incumbent \$25)
BS-SUP1-SGR9 single ret (plan 1 incumbent \$0)	BS-SUP1-SNR9 single ret (plan 1 incumbent \$0)
BS-SUP1-SGRE single ret (plan 1 incumbent \$100)	BS-SUP1-SNRE single ret (plan 1 incumbent \$100)
BS-SUP1-SGRF single ret (plan 1 incumbent \$87.50)	BS-SUP1-SNRF single ret (plan 1 incumbent \$87.50)
BS-SUP1-SGRG single ret (plan 1 incumbent \$75)	BS-SUP1-SNRG single ret (plan 1 incumbent \$75)
BS-SUP1-SGRH single ret (plan 1 incumbent \$62.50)	BS-SUP1-SNRH single ret (plan 1 incumbent \$62.50)
BS-SUP1-1DR6 ret. & 1 dep (plan 1 incumb \$50)	BS-SUP1-1RD6 ret. & 1 dep (plan 1 incumb \$50)
BS-SUP1-1DR7 ret. & 1 dep (plan 1 incumb \$37.50)	BS-SUP1-1RD7 ret. & 1 dep (plan 1 incumb \$37.50)
BS-SUP1-1DR8 ret. & 1 dep (plan 1 incumb \$25)	BS-SUP1-1RD8 ret. & 1 dep (plan 1 incumb \$25)
BS-SUP1-1DR9 ret. & 1 dep (plan 1 incumb \$0)	BS-SUP1-1RD9 ret. & 1 dep (plan 1 incumb \$0)
BS-SUP1-1DRE ret. & 1 dep (plan 1 incumb \$100)	BS-SUP1-1RDE ret. & 1 dep (plan 1 incumb \$100)
BS-SUP1-1DRF ret. & 1 dep (plan 1 incumb \$87.50)	BS-SUP1-1RDF ret. & 1 dep (plan 1 incumb \$87.50)
BS-SUP1-1DRG ret. & 1 dep (plan 1 incumb \$75)	BS-SUP1-1RDG ret. & 1 dep (plan 1 incumb \$75)
BS-SUP1-1DRH ret. & 1 dep (plan 1 incumb \$62.50)	BS-SUP1-1RDH ret. & 1 dep (plan 1 incumb \$62.50)
BS-SUP1-RID6 retiree incumbent/Dependent Not (\$50)	BS-SUP1-RDN6 retiree incumbent/Dependent Not (\$50)
BS-SUP1-RID7 retiree incumbent/Dependent Not (\$37.50)	BS-SUP1-RDN7 retiree incumbent/Dependent Not (\$37.50)
BS-SUP1-RID8 retiree incumbent/Dependent Not (\$25)	BS-SUP1-RDN8 retiree incumbent/Dependent Not (\$25)
BS-SUP1-RID9 retiree incumbent/Dependent Not (\$0)	BS-SUP1-RDN9 retiree incumbent/Dependent Not (\$0)

BS-SUP1-RIDE retiree incumbent/Dependent Not (\$100)	BS-SUP1-RDNE retiree incumbent/Dependent Not (\$100)
BS-SUP1-RIDF retiree incumbent/Dependent Not (\$87.50)	BS-SUP1-RDNF retiree incumbent/Dependent Not (\$87.50)
BS-SUP1-RIDG retiree incumbent/Dependent Not (\$75)	BS-SUP1-RDNG retiree incumbent/Dependent Not (\$75)
BS-SUP1-RIDH retiree incumbent/Dependent Not (\$62.50)	BS-SUP1-RDNH retiree incumbent/Dependent Not (\$62.50)
BS-SUP1-DIR6 dependent incumbent/retiree not (\$50)	BS-SUP1-DRN6 dependent incumbent/retiree not (\$50)
BS-SUP1-DIR7 dependent incumbent/retiree not (\$37.50)	BS-SUP1-DRN7 dependent incumbent/retiree not (\$37.50)
BS-SUP1-DIR8 dependent incumbent/retiree not (\$25)	BS-SUP1-DRN8 dependent incumbent/retiree not (\$25)
BS-SUP1-DIR9 dependent incumbent/retiree not (\$0)	BS-SUP1-DRN9 dependent incumbent/retiree not (\$0)
BS-SUP1-DIRE dependent incumbent/retiree not (\$100)	BS-SUP1-DRNE dependent incumbent/retiree not (\$100)
BS-SUP1-DIRF dependent incumbent/retiree not (\$87.50)	BS-SUP1-DRNF dependent incumbent/retiree not (\$87.50)
BS-SUP1-DIRG dependent incumbent/retiree not (\$75)	BS-SUP1-DRNG dependent incumbent/retiree not (\$75)
BS-SUP1-DIRH dependent incumbent/retiree not (\$62.50)	BS-SUP1-DRNH dependent incumbent/retiree not (\$62.50)
BS-SUP1-2DR6 ret & 2 deps (plan 1 incumb \$50)	BS-SUP1-2RD6 ret & 2 deps (plan 1 incumb \$50)
BS-SUP1-2DR7 ret & 2 deps (plan 1 incumb \$37.50)	BS-SUP1-2RD7 ret & 2 deps (plan 1 incumb \$37.50)
BS-SUP1-2DR8 ret & 2 deps (plan 1 incumb \$25)	BS-SUP1-2RD8 ret & 2 deps (plan 1 incumb \$25)
BS-SUP1-2DR9 ret & 2 deps (plan 1 incumb \$0)	BS-SUP1-2RD9 ret & 2 deps (plan 1 incumb \$0)
BS-SUP1-2DRE ret & 2 deps (plan 1 incumb \$100)	BS-SUP1-2RDE ret & 2 deps (plan 1 incumb \$100)
BS-SUP1-2DRF ret & 2 deps (plan 1 incumb \$87.50)	BS-SUP1-2RDF ret & 2 deps (plan 1 incumb \$87.50)
BS-SUP1-2DRG ret & 2 deps (plan 1 incumb \$75)	BS-SUP1-2RDG ret & 2 deps (plan 1 incumb \$75)
BS-SUP1-2DRH ret & 2 deps (plan 1 incumb \$62.50)	BS-SUP1-2RDH ret & 2 deps (plan 1 incumb \$62.50)
BS-SUP1-1DPS one dep only (plan 1 incumbent)	BS-SUP1-1DPG one dep only (plan 1 incumbent)
BS-SUP1-2DPS two deps only (plan 1 incumbent)	BS-SUP1-2DPG two deps only (plan 1 incumbent)
BS-SUP1-2DPX 2 deps only (one incumb/one not)	BS-SUP1-2DXP 2 deps only (one incumb/one not)

## Tennessee Insurance Plan Program Identifications

<u>LOCAL EDUCATION TEACHER MEDICARE SUPPLEMENT</u>	<u>LOCAL EDUCATION SUPPORT STAFF MEDICARE SUPPLEMENT</u>
BS-SUP1-SRT2 single retiree (\$50)	BS-SUP1-SRS2 single retiree (\$50)
BS-SUP1-SRT3 single retiree (\$37.50)	BS-SUP1-SRS3 single retiree (\$37.50)
BS-SUP1-SRT4 single retiree (\$25)	BS-SUP1-SRS4 single retiree (\$25)
BS-SUP1-SRT5 single retiree (\$0)	BS-SUP1-SRS5 single retiree (\$0)
BS-SUP1-SRTA single retiree (\$100)	BS-SUP1-SRSA single retiree (\$100)
BS-SUP1-SRTB single retiree (\$87.50)	BS-SUP1-SRSB single retiree (\$87.50)
BS-SUP1-SRTC single retiree (\$75)	BS-SUP1-SRSC single retiree (\$75)
BS-SUP1-SRTD single retiree (\$62.50)	BS-SUP1-SRSD single retiree (\$62.50)
BS-SUP1-1FR2 ret. & 1 dep. (\$50)	BS-SUP1-1RF2 ret. & 1 dep. (\$50)
BS-SUP1-1FR3 ret. & 1 dep. (\$37.50)	BS-SUP1-1RF3 ret. & 1 dep. (\$37.50)
BS-SUP1-1FR4 ret. & 1 dep. (\$25)	BS-SUP1-1RF4 ret. & 1 dep. (\$25)
BS-SUP1-1FR5 ret. & 1 dep. (\$0)	BS-SUP1-1RF5 ret. & 1 dep. (\$0)
BS-SUP1-1FRA ret. & 1 dep. (\$100)	BS-SUP1-1RFA ret. & 1 dep. (\$100)
BS-SUP1-1FRB ret. & 1 dep. (\$87.50)	BS-SUP1-1RFB ret. & 1 dep. (\$87.50)
BS-SUP1-1FRC ret. & 1 dep. (\$75)	BS-SUP1-1RFC ret. & 1 dep. (\$75)
BS-SUP1-1FRD ret. & 1 dep. (\$62.50)	BS-SUP1-1RFD ret. & 1 dep. (\$62.50)
BS-SUP1-2FR2 ret. & 2 depts. (\$50)	BS-SUP1-2RF2 ret. & 2 depts. (\$50)
BS-SUP1-2FR3 ret. & 2 depts. (\$37.50)	BS-SUP1-2RF3 ret. & 2 depts. (\$37.50)
BS-SUP1-2FR4 ret. & 2 depts. (\$25)	BS-SUP1-2RF4 ret. & 2 depts. (\$25)
BS-SUP1-2FR5 ret. & 2 depts. (\$0)	BS-SUP1-2RF5 ret. & 2 depts. (\$0)
BS-SUP1-2FRA ret. & 2 depts. (\$100)	BS-SUP1-2RFA ret. & 2 depts. (\$100)
BS-SUP1-2FRB ret. & 2 depts. (\$87.50)	BS-SUP1-2RFB ret. & 2 depts. (\$87.50)
BS-SUP1-2FRC ret. & 2 depts. (\$75)	BS-SUP1-2RFC ret. & 2 depts. (\$75)
BS-SUP1-2FRD ret. & 2 depts. (\$62.50)	BS-SUP1-2RFD ret. & 2 depts. (\$62.50)
BS-SUP1-1DPN one dep. only	BS-SUP1-1DPT one dep. only
BS-SUP1-2DPN two depts. only	BS-SUP1-2DPT two depts. only
<b>The following programs closed to new enrollments after August 31, 2005</b>	
BS-SUP1-SRT6 single ret (plan 1 incumbant \$50)	BS-SUP1-SRS6 single ret (plan 1 incumbant \$50)
BS-SUP1-SRT7 single ret (plan 1 incumbant \$37.50)	BS-SUP1-SRS7 single ret (plan 1 incumbant \$37.50)
BS-SUP1-SRT8 single ret (plan 1 incumbant \$25)	BS-SUP1-SRS8 single ret (plan 1 incumbant \$25)
BS-SUP1-SRT9 single ret (plan 1 incumbant \$0)	BS-SUP1-SRS9 single ret (plan 1 incumbant \$0)
BS-SUP1-SRTE single ret (plan 1 incumbant \$100)	BS-SUP1-SRSE single ret (plan 1 incumbant \$100)
BS-SUP1-SRTF single ret (plan 1 incumbant \$87.50)	BS-SUP1-SRSF single ret (plan 1 incumbant \$87.50)
BS-SUP1-SRTG single ret (plan 1 incumbant \$75)	BS-SUP1-SRSG single ret (plan 1 incumbant \$75)
BS-SUP1-SRTH single ret (plan 1 incumbant \$62.50)	BS-SUP1-SRSH single ret (plan 1 incumbant \$62.50)
BS-SUP1-1FR6 ret. & 1 dep (plan 1 incumb \$50)	BS-SUP1-1RF6 ret. & 1 dep (plan 1 incumb \$50)
BS-SUP1-1FR7 ret. & 1 dep (plan 1 incumb \$37.50)	BS-SUP1-1RF7 ret. & 1 dep (plan 1 incumb \$37.50)
BS-SUP1-1FR8 ret. & 1 dep (plan 1 incumb \$25)	BS-SUP1-1RF8 ret. & 1 dep (plan 1 incumb \$25)
BS-SUP1-1FR9 ret. & 1 dep (plan 1 incumb \$0)	BS-SUP1-1RF9 ret. & 1 dep (plan 1 incumb \$0)
BS-SUP1-1FRE ret. & 1 dep (plan 1 incumb \$100)	BS-SUP1-1RFE ret. & 1 dep (plan 1 incumb \$100)
BS-SUP1-1FRF ret. & 1 dep (plan 1 incumb \$87.50)	BS-SUP1-1RFF ret. & 1 dep (plan 1 incumb \$87.50)
BS-SUP1-1FRG ret. & 1 dep (plan 1 incumb \$75)	BS-SUP1-1RFG ret. & 1 dep (plan 1 incumb \$75)
BS-SUP1-1FRH ret. & 1 dep (plan 1 incumb \$62.50)	BS-SUP1-1RFH ret. & 1 dep (plan 1 incumb \$62.50)
BS-SUP1-RDX6 retiree incumbent/Dependent Not (\$50)	BS-SUP1-RYD6 retiree incumbent/Dependent Not (\$50)
BS-SUP1-RDX7 retiree incumbent/Dependent Not (\$37.50)	BS-SUP1-RYD7 retiree incumbent/Dependent Not (\$37.50)
BS-SUP1-RDX8 retiree incumbent/Dependent Not (\$25)	BS-SUP1-RYD8 retiree incumbent/Dependent Not (\$25)

BS-SUP1-RDX9 retiree incumbent/Dependent Not (\$0)	BS-SUP1-RYD9 retiree incumbent/Dependent Not (\$0)
BS-SUP1-RDXE retiree incumbent/Dependent Not (\$100)	BS-SUP1-RYDE retiree incumbent/Dependent Not (\$100)
BS-SUP1-RDXF retiree incumbent/Dependent Not (\$87.50)	BS-SUP1-RYDF retiree incumbent/Dependent Not (\$87.50)
BS-SUP1-RDXG retiree incumbent/Dependent Not (\$75)	BS-SUP1-RYDG retiree incumbent/Dependent Not (\$75)
BS-SUP1-RDXH retiree incumbent/Dependent Not (\$62.50)	BS-SUP1-RYDH retiree incumbent/Dependent Not (\$62.50)
BS-SUP1-DRX6 dependent incumbent/retiree not (\$50)	BS-SUP1-DYR6 dependent incumbent/retiree not (\$50)
BS-SUP1-DRX7 dependent incumbent/retiree not (\$37.50)	BS-SUP1-DYR7 dependent incumbent/retiree not (\$37.50)
BS-SUP1-DRX8 dependent incumbent/retiree not (\$25)	BS-SUP1-DYR8 dependent incumbent/retiree not (\$25)
BS-SUP1-DRX9 dependent incumbent/retiree not (\$0)	BS-SUP1-DYR9 dependent incumbent/retiree not (\$0)
BS-SUP1-DRXE dependent incumbent/retiree not (\$100)	BS-SUP1-DYRE dependent incumbent/retiree not (\$100)
BS-SUP1-DRXF dependent incumbent/retiree not (\$87.50)	BS-SUP1-DYRF dependent incumbent/retiree not (\$87.50)
BS-SUP1-DRXG dependent incumbent/retiree not (\$75)	BS-SUP1-DYRG dependent incumbent/retiree not (\$75)
BS-SUP1-DRXH dependent incumbent/retiree not (\$62.50)	BS-SUP1-DYRH dependent incumbent/retiree not (\$62.50)
BS-SUP1-2FR6 ret & 2 deps (plan 1 incumb \$50)	BS-SUP1-2RF6 ret & 2 deps (plan 1 incumb \$50)
BS-SUP1-2FR7 ret & 2 deps (plan 1 incumb \$37.50)	BS-SUP1-2RF7 ret & 2 deps (plan 1 incumb \$37.50)
BS-SUP1-2FR8 ret & 2 deps (plan 1 incumb \$25)	BS-SUP1-2RF8 ret & 2 deps (plan 1 incumb \$25)
BS-SUP1-2FR9 ret & 2 deps (plan 1 incumb \$0)	BS-SUP1-2RF9 ret & 2 deps (plan 1 incumb \$0)
BS-SUP1-2FRE ret & 2 deps (plan 1 incumb \$100)	BS-SUP1-2RFE ret & 2 deps (plan 1 incumb \$100)
BS-SUP1-2FRF ret & 2 deps (plan 1 incumb \$87.50)	BS-SUP1-2RFF ret & 2 deps (plan 1 incumb \$87.50)
BS-SUP1-2FRG ret & 2 deps (plan 1 incumb \$75)	BS-SUP1-2RFG ret & 2 deps (plan 1 incumb \$75)
BS-SUP1-2FRH ret & 2 deps (plan 1 incumb \$62.50)	BS-SUP1-2RFH ret & 2 deps (plan 1 incumb \$62.50)
BS-SUP1-1DPL one dep only (plan 1 incumbent)	BS-SUP1-1DPE one dep only (plan 1 incumbent)
BS-SUP1-2DPL two deps only (plan 1 incumbent)	BS-SUP1-2DPE two deps only (plan 1 incumbent)
BS-SUP1-2XDP 2 deps only (one incumb/one not)	BS-SUP1-2PXD 2 deps only (one incumb/one not)

## WEEKLY ELIGIBILITY UPDATE REPORT

COMPANY: \_\_\_\_\_ TODAY'S DATE: \_\_\_\_\_  
 \_\_\_\_\_

WEEK ENDING: \_\_\_\_\_ FILE RECEIVED: \_\_\_\_\_  
 \_\_\_\_\_

PROCESS DATE: \_\_\_\_\_ DATE ERRORS  
 RESOLVED: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TRANSACTION TYPE	NUMBER OF RECORDS RECEIVED	NUMBER OF RECORDS PROCESSED	NUMBER OF RECORDS UPDATED	NUMBER OF RECORDS IN ERROR	TOTAL RECORDS
AP					
CE					
CP					
DC					
DD					
DP					
DR					
HC					
PX					
RB					
RC					
RD					
RH					
RP					
RR					
SP					

<b>TB</b>					
<b>TP</b>					
<b>UE</b>					



STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
INSURANCE ADMINISTRATION  
312 EIGHTH AVENUE NORTH  
TWENTY-SIXTH FLOOR WILLIAM R. SNODGRASS TENNESSEE TOWER  
NASHVILLE, TENNESSEE 37243  
(615) 741-3590 OR (800) 253-9981  
FAX (615) 741-8196

DAVE GOETZ  
COMMISSIONER

RICHARD CHAPMAN  
DIRECTOR

STATE OF TENNESSEE  
QUARTERLY ELIGIBILITY DATA RECONCILIATION

Vendor: \_\_\_\_\_ Date: \_\_\_\_\_

Person completing this form: \_\_\_\_\_

Date full population files received from State: \_\_\_\_\_

Date full population files compared to vendor files: \_\_\_\_\_

Number of head of contracts in vendor database, not on State file: \_\_\_\_\_

Number of dependents in vendor database, not on State file: \_\_\_\_\_

Number of head of contracts on State file, not in vendor database: \_\_\_\_\_

Number of dependents on State file, not in vendor database: \_\_\_\_\_

Number of address mismatches: \_\_\_\_\_

Number of head of contract demographic mismatches: \_\_\_\_\_

Date mismatches resolved: \_\_\_\_\_

Other discrepancies: \_\_\_\_\_

\_\_\_\_\_