# CONTRACT #1
# RFS # 317.86-00109
# FA # 11-32633
# Edison # 21851

# Department of Finance and Administration
# Benefits Administration

# VENDOR:
# Union Security Insurance Company (Assurant)

STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
BENEFITS ADMINISTRATION
312 Rosa L. Parks Avenue
Suite 2600 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243
Phone (615) 741-4517 or (866) 576-0029
FAX (615) 253-8556

Mark A. Emkes
COMMISSIONER

Laurie Lee
EXECUTIVE DIRECTOR

**MEMORANDUM**

**TO:** Lucian Geise, Executive Director, Fiscal Review Committee

**FROM:** Laurie Lee

**DATE:** April 12, 2013

**RE:** **Union Security Insurance Company Amendment # 2, Edison # 21851**

This request for amendment # 2 comes to the Fiscal Review Committee with a January 1, 2014 effective date.

As detailed in the Non-Competitive Amendment request accompanying this correspondence, the current contractor, Union Security Insurance Company, has provided the State with Prepaid Dental insurance coverage for the public sector plans for the past three years. Per the terms of the original contract, the State has the option to extend the contract term for another year, with a rate increase adjusted according to the Medical Care expenditure category of the Consumer Price Index; the State seeks to pursue this renewal option as the Contractor has performed satisfactorily over the past three years.

The original contract and first amendment are included for review. Thank you for your consideration of this request.

# Supplemental Documentation Required for Fiscal Review Committee

| | | | |
|---|---|---|---|
| *Contact Name: | Sylvia Chunn | *Contact Phone: | 615-253-8358 |
| *Original Contract Number: | FA1132633 | *Original RFS Number: | 31786-00109 |
| Edison Contract Number: (*if applicable*) | 21851 | Edison RFS Number: (*if applicable*) | 31786-00109 |
| *Original Contract Begin Date: | 7/28/2010 | *Current End Date: | 12/31/2013 |

| | |
|---|---|
| Current Request Amendment Number: (*if applicable*) | 2 (Two) |
| Proposed Amendment Effective Date: (*if applicable*) | 1/1/2014 |
| *Department Submitting: | Finance & Administration |
| *Division: | Benefits Administration |
| *Date Submitted: | 4/12/2013 |
| *Submitted Within Sixty (60) days: | Yes |
| *If not, explain*: | |
| *Contract Vendor Name: | Union Security Insurance Company |
| *Current Maximum Liability: | $14,106,000.00 |

*Current Contract Allocation by Fiscal Year:
(*as Shown on Most Current Fully Executed Contract Summary Sheet*)

| FY:2011 | FY:2012 | FY:2013 | FY: | FY | FY |
|---|---|---|---|---|---|
| $2,250,000.00 | $4,520,000.00 | $4,836,000.00 | $ | $ | $ |

*Current Total Expenditures by Fiscal Year of Contract:
(*attach backup documentation from STARS or FDAS report*)

| FY:2011 | FY:2012 | FY:2013 | FY: | FY | FY |
|---|---|---|---|---|---|
| $2,362,504.99 | $4,542,333.00 | $3,704,852.53 | $ | $ | $ |

| | |
|---|---|
| IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent: | Payments to the Contractor are based on payroll deduction and the payment of premiums by employees and retirees are paid directly to the Contractor. |
| IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision: | The funds are based upon payroll deductions and premiums are paid directly by members, so funds have not been carried forward for these services. |
| IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage: | N/A; |

| | | | | |
|---|---|---|---|---|
| *Contract Funding Source/Amount: | State: | | Federal: | |

# Supplemental Documentation Required for Fiscal Review Committee

| | | | |
|---|---|---|---|
| Interdepartmental: | $9,106,000.00 | *Other:* | |
| If "*other*" please define: | | | |

| Dates of All Previous Amendments or Revisions: (*if applicable*) | Brief Description of Actions in Previous Amendments or Revisions: (*if applicable*) |
|---|---|
| Amendment 1 – effective 1/1/2013 | Extend term one (1) year, add funding for extension, change contact information, and change CPI calculation date. |
| | |
| | |

| | |
|---|---|
| Method of Original Award: (*if applicable*) | RFP |
| *What were the projected costs of the service for the entire term of the contract prior to contract award? | $9,106,000.00 – for the initial term without extensions. |

# Supplemental Documentation Required for Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

**Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.**

| Deliverable description: | FY: | FY: | FY: | FY: | FY: |
|---|---|---|---|---|---|
| N/A | | | | | |
| | | | | | |
| | | | | | |

**Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.**

| Deliverable description: | FY: | FY: | FY: | FY: | FY: |
|---|---|---|---|---|---|
| N/A | | | | | |
| | | | | | |
| | | | | | |

**Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.**

| Proposed Vendor Cost: (name of vendor) | FY: | FY: | FY: | FY: | FY: |
|---|---|---|---|---|---|
| N/A | | | | | |
| Other Vendor Cost: (name of vendor) | FY: | FY: | FY: | FY: | FY: |
| N/A | | | | | |
| Other Vendor Cost: (name of vendor) | FY: | FY: | FY: | FY: | FY: |

**Union Security aka Assurant**

Contract # 21851

Vendor # 69118

Reports pulled: 4.12.2013

| FY | Payments |
|---|---|
| 2011 | 2,362,504.99 |
| 2012 | 4,542,333.00 |
| YTD 2013 | 3,704,852.53 |
| Total | 10,609,690.52 |

Edison Report TN_PU_CN021 ~ Payments Against a Contract

| Payments against a Contract | 6 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Unit | Sum Amount | Edison Contract ID | Vendor ID | Vendor Na | Type | PO ID | Voucher ID | Invoice | Date | Fiscal Year |
| 31786 | 389106.890 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000065 | 00002461 | Assurant 0 | 6/16/2011 | 2011 |
| 31786 | 393306.770 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000062 | 00002406 | ASSURAN | 5/11/2011 | 2011 |
| 31786 | 394581.480 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000057 | 00002244 | Assurant 0 | 2/11/2011 | 2011 |
| 31786 | 394622.600 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000054 | 00002179 | Assurant 0 | 1/18/2011 | 2011 |
| 31786 | 394966.420 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000062 | 00002388 | ASSURAN | 4/27/2011 | 2011 |
| 31786 | 395920.830 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 00000006C | 00002300 | Assurant 0 | 3/17/2011 | 2011 |

FY 2011 Payments 2,362,504.99

| Payments against a Contract | 12 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Unit | Sum Amount | Edison Contract ID | Vendor ID | Vendor Na | Type | PO ID | Voucher ID | Invoice | Date | Fiscal Year |
| 31786 | 368428.760 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000086 | 00003039 | Assurant 0 | 6/15/2012 | 2012 |
| 31786 | 368896.760 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000085 | 00002995 | Assurant 0 | 5/10/2012 | 2012 |
| 31786 | 369112.360 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000083 | 00002955 | Assurant04 | 4/16/2012 | 2012 |
| 31786 | 369703.010 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000079 | 00002886 | ASSURAN | 2/14/2012 | 2012 |
| 31786 | 369937.140 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000081 | 00002922 | Assurant03 | 3/14/2012 | 2012 |
| 31786 | 370342.170 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000078 | 00002853 | Assurant 0 | 1/12/2012 | 2012 |
| 31786 | 381068.720 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000074 | 00002794 | Assurant 1 | ######## | 2012 |
| 31786 | 385853.380 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000068 | 00002544 | Assurant 0 | 8/12/2011 | 2012 |
| 31786 | 388429.700 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000071 | 00002659 | Assurant 0 | 9/23/2011 | 2012 |
| 31786 | 389125.360 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000066 | 00002503 | Assurant 0 | 7/14/2011 | 2012 |
| 31786 | 390676.480 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000073 | 00002698 | Assurant 1 | ######## | 2012 |
| 31786 | 390759.160 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000076 | 00002822 | Assurant 1 | ######## | 2012 |

FY 2012 Payments 4,542,333.00

| Payments against a Contract | 10 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Unit | Sum Amount | Edison Contract ID | Vendor ID | Vendor Na | Type | PO ID | Voucher ID | Invoice | Date | Fiscal Year |
| 31786 | 367271.980 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 00000009C | 00003262 | Assurant 0 | 8/14/2012 | 2013 |
| 31786 | 367979.490 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000088 | 00003159 | Assurant 0 | 7/13/2012 | 2013 |
| 31786 | 369405.650 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000091 | 00003396 | Assurant09 | 9/19/2012 | 2013 |
| 31786 | 370030.360 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000094 | 00003536 | Assurant 0 | 1/11/2013 | 2013 |
| 31786 | 370245.350 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000094 | 00003573 | Assurant 0 | 2/13/2013 | 2013 |
| 31786 | 370691.880 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000094 | 00003637 | Assurant 0 | 3/13/2013 | 2013 |
| 31786 | 371366.330 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000091 | 00003501 | Assurant 1 | ######## | 2013 |
| 31786 | 371838.300 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000094 | 00003720 | Assurant 0 | 4/10/2013 | 2013 |
| 31786 | 372812.550 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000091 | 00003469 | Assurant 1 | 11/9/2012 | 2013 |
| 31786 | 373210.640 | 0000000000000000000021851 | 0000069118 | Union Secu | DFA | 000000091 | 00003434 | Assurant 1 | ######## | 2013 |

YTD FY 2013 Payments 3,704,852.53

Edison Report TN_PU_CN026 ~ Payments Not on Contract

| Payments Not On Contract | 0 | | | | | | |
|---|---|---|---|---|---|---|---|
| Unit | Sum Amou | Edison Co | Vendor ID | Vendor Na | PO_ID | D.VOUCH | Year |

cy13-2104

7-1-11 REQUEST-NON-AMEND

# Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

APPROVED

Jessica Robertson (CPO)

~~COMMISSIONER OF FINANCE & ADMINISTRATION~~ CPO

| | |
|---|---|
| Request Tracking # | 31786-00109 |
| 1. Procuring Agency | Finance and Administration, Division of Benefits Administration |
| 2. Contractor | Union Security Insurance Company |
| 3. Contract # | FA1132633 |
| 4. Proposed Amendment # | 2 |
| 5. Edison ID # | 21851 |
| 6. Contract Begin Date | July 28, 2010 |
| 7. Current Contract End Date<br>*– with ALL options to extend exercised* | December 31, 2013 |
| 8. Proposed Contract End Date<br>*– with ALL options to extend exercised* | December 31, 2014 |
| 9. Current Maximum Contract Cost<br>*– with ALL options to extend exercised* | $ 14,106,000.00 |
| 10. Proposed Maximum Contract Cost<br>*– with ALL options to extend exercised* | $ 19,746,000.00 |
| 11. Office for Information Resources Endorsement<br>*– information technology service (N/A to THDA)* | ☒ Not Applicable ☐ Attached |
| 12. eHealth Initiative Support<br>*– health-related professional, pharmaceutical, laboratory, or imaging* | ☐ Not Applicable ☒ Attached |
| 13. Human Resources Support<br>*– state employee training service* | ☒ Not Applicable ☐ Attached |

14. Explanation Need for the Proposed Amendment

To extend the service provision for one additional year per the term extension clause contained in the original base contract, and add additional funding for the extension.

15. Name & Address of the Contractor's Principal Owner(s)
*– NOT required for a TN state education institution*

Dana Ennis, National Account Director
Union Security Insurance Company

| Request Tracking # | 31786-00109 |
|---|---|
| 3595 Grandview Parkway, Suite 650<br>Birmingham, AL 35243 | |

**16. Evidence Contractor's Experience & Length Of Experience Providing the Service**

The Contractor has been providing these services to the State since July of 2010.

**17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives**

N/A

**18. Justification** – *specifically explain why non-competitive negotiation is in the best interest of the state*

This service was procured competitively and the calculations for rates for any contract extensions were detailed in the base contract. It will save the State resources to allow an additional year to the contract term with pre-negotiated rates than to procure the services again.

**Agency Head Signature and Date** – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances*

Mark C Emba 4/16/13

# E-Health Pre-Approval Endorsement Request
## E-Mail Transmittal

**TO :** Lovel VanArsdale, Office of e-Health Initiatives
Department of Finance & Administration
**E-mail :** Lovel.Vanarsdale@tn.gov

**FROM :** Sylvia Chunn
**E-mail :** Sylvia.chunn@tn.gov

**DATE :** 4/11/13

**RE :** Request for eHealth Pre-Approval Endorsement

| |
|---|
| **Applicable RFS # 31786-00109** |
| **Office of e-Health Initiatives Endorsement Signature & Date:** |
| 4/12/2013 |
| **Office of e-Health Initiatives** |

Office of e-Health Initiatives (eHealth) pre-approval endorsement appears to be required pursuant to professional service contracting regulations pertaining to procurements with medical/mental health-related professional, pharmaceutical, laboratory, or imaging type services as a component of the scope of service. This request seeks to ensure that eHealth is aware of and has an opportunity to review the procurement detailed below and in the attached document(s).

Please indicate eHealth endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

| | |
|---|---|
| **Contracting Agency** | **Finance & Administration, Benefits Administration** |
| **Agency Contact** *(name, phone, e-mail)* | **Sylvia D. Chunn**<br>**615-253-8358**<br>**Sylvia.chunn@tn.gov** |
| **Required Attachments** *(as applicable – copies without signatures acceptable)*<br>☐ RFP, Competitive Negotiation Request, Alternative Procurement Method Request, or Non-Competitive Contract/Amendment Request<br>☒ proposed contract or amendment | |
| **Medical/Mental Health-Related Service Description**<br>Prepaid Dental Benefits for the Public Sector Plans, amendment to extend the contract term by one year and add additional funding. | |

# E-Health Pre-Approval Endorsement Request
## E-Mail Transmittal

**TO :** Lovel VanArsdale, Office of e-Health Initiatives
Department of Finance & Administration
**E-mail :** Lovel.Vanarsdale@tn.gov

**FROM :** Sylvia Chunn
**E-mail :** Sylvia.chunn@tn.gov

**DATE :** 4/11/13

**RE :** Request for eHealth Pre-Approval Endorsement

| **Applicable RFS # 31786-00109** | |
|---|---|
| **Office of e-Health Initiatives Endorsement Signature & Date:** | |
| William Rice | 4/12/2013 |
| **Office of e-Health Initiatives** | |

Office of e-Health Initiatives (eHealth) pre-approval endorsement appears to be required pursuant to professional service contracting regulations pertaining to procurements with medical/mental health-related professional, pharmaceutical, laboratory, or imaging type services as a component of the scope of service. This request seeks to ensure that eHealth is aware of and has an opportunity to review the procurement detailed below and in the attached document(s).

Please indicate eHealth endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

| **Contracting Agency** | **Finance & Administration, Benefits Administration** |
|---|---|
| **Agency Contact** *(name, phone, e-mail)* | **Sylvia D. Chunn**<br>**615-253-8358**<br>**Sylvia.chunn@tn.gov** |
| **Required Attachments** *(as applicable – copies without signatures acceptable)*<br>☐ RFP, Competitive Negotiation Request, Alternative Procurement Method Request, or Non-Competitive Contract/Amendment Request<br>☒ proposed contract or amendment | |
| **Medical/Mental Health-Related Service Description**<br>Prepaid Dental Benefits for the Public Sector Plans, amendment to extend the contract term by one year and add additional funding. | |

# CONTRACT AMENDMENT

| Agency Tracking # | Edison ID | Contract # | Amendment # |
|---|---|---|---|
| 31786-00109 | 21851 | FA-11-32633 | 2 |

| Contractor Legal Entity Name | Edison Vendor ID |
|---|---|
| Union Security Insurance Company | 69118 |

**Amendment Purpose & Effect(s)**

Extend Contract Term one year and add new rates for the new year according to the base contract.

**Amendment Changes Contract End Date:** ☒ YES ☐ NO **End Date:** 12/31/2014

**TOTAL Contract Amount INCREASE or DECREASE per this Amendment** (zero if N/A): **$ 5,640,000.00**

**Funding —**

| FY | State | Federal | Interdepartmental | Other | TOTAL Contract Amount |
|---|---|---|---|---|---|
| 2011 | | | $2,250,000.00 | | $2,250,000.00 |
| 2012 | | | $4,520,000.00 | | $4,520,000.00 |
| 2013 | | | $4,836,000.00 | | $4,836,000.00 |
| 2014 | | | $5,320,000.00 | | $5,320,000.00 |
| 2015 | | | $2,820,000.00 | | $2,820,000.00 |
| TOTAL: | | | | | **19,746,000.00** |

**American Recovery and Reinvestment Act (ARRA) Funding:** ☐ YES ☒ NO

**Budget Officer Confirmation:** There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

*OCR USE*

**Speed Chart** (optional)

**Account Code** (optional)

**AMENDMENT TWO**
**OF CONTRACT FA1132633**

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

1. Contract section B.1 is deleted in its entirety and replaced with the following:

B.1. This Contract shall be effective for the period commencing on July 28, 2010 and ending on December 31, 2014. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

2. 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 Nineteen Million Seven Hundred Forty- Six Thousand Dollars ($19,746,000.00). 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. 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 payment 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.

a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.

b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

(1) For service performed from January 1, 2011, through December 31, 2014, the following rates shall apply:

| Four Tiered Guaranteed Monthly Premiums for Active | Calendar Year 2011<br>1/ 1/2011 – 12/31/ 2011 | Calendar Year 2012<br>1/ 1/2012 – 12/31/ 2012 | Calendar Year 2013<br>1/ 1/2013 – 12/31/ 2013 | Calendar Year 2014<br>1/ 1/2014 – 12/31/ 2014 |
|---|---|---|---|---|

| Employees | | | | |
|---|---|---|---|---|
| Employee | $9.35/Active Employee Member | $9.35/Active Employee Member | $9.63/Active Employee Member | $9.92/Active Employee Member |
| Employee + Spouse | $16.57/Active Employee Member | $16.57/Active Employee Member | $17.07/Active Employee Member | $17.58/Active Employee Member |
| Employee + Child(ren) | $19.42/Active Employee Member | $19.42/Active Employee Member | $20.00/Active Employee Member | $20.60/Active Employee Member |
| Employee + Spouse + Child(ren) | $22.79/Active Employee Member | $22.79/Active Employee Member | $23.47/Active Employee Member | $24.17/Active Employee Member |
| Four Tiered Guaranteed Monthly Premiums for Retirees | Calendar Year 2011 1/ 1/2011 – 12/31/ 2011 | Calendar Year 2012 1/ 1/2012 – 12/31/ 2012 | Calendar Year 2013 1/ 1/2013 – 12/31/ 2013 | Calendar Year 2014 1/ 1/2014 – 12/31/ 2014 |
| Retirees | $10.28/Retiree Member | $10.28/Retiree Member | $10.59/Retiree Member | $10.91/Retiree Member |
| Retirees + Spouse | $18.23/Retiree Member | $18.23/Retiree Member | $18.78/Retiree Member | $19.34/Retiree Member |
| Retirees + Child(ren) | $21.36/Retiree Member | $21.36/Retiree Member | $22.00/Retiree Member | $22.66/Retiree Member |
| Retirees + Spouse + Child(ren) | $25.06/Retiree Member | $25.06/Retiree Member | $25.81/Retiree Member | $26.58/Retiree Member |

(2) For service performed from January 1, 2015 through December 31, 2015 the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1)) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, ALL ITEMS /MEDICAL CARE expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in September, 2014 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).

c. The Contractor is responsible for maintaining the plan Member Cost Amounts contained in Contract Attachment C during the term of this Contract. See Contract Section A.3.a

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective January 1, 2014. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**UNION SECURITY INSURANCE COMPANY:**

---

**SIGNATURE** **DATE**

---

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

**DEPARTMENT OF FINANCE AND ADMINISTRATION,**
**STATE INSURANCE COMMITTEE,**
**LOCAL EDUCATION INSURANCE COMMITTEE AND**
**LOCAL GOVERNMENT INSURANCE COMMITTEE::**

---

**MARK A. EMKES, CHAIRMAN** **DATE**

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

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

**Sen. Bill Ketron, Chairman**
Senators
Douglas Henry, Reginald Tate
Brian Kelsey, Ken Yager
Eric Stewart
Randy McNally, *ex officio*
Lt. Governor Ron Ramsey, *ex officio*

**Rep. Curtis Johnson, Vice-Chairman**
Representatives
Tommie Brown, David Shepard
Jim Coley, Tony Shipley
Charles Curtiss, Curry Todd
Johnny Shaw, Mark White
Charles Sargent, *ex officio*
Speaker Beth Harwell, *ex officio*

## MEMORANDUM

TO: The Honorable Mark Emkes, Commissioner
Department of Finance and Administration

FROM: Senator Bill Ketron, Chairman
Representative Curtis Johnson, Vice-Chairman

DATE: June 7, 2012

SUBJECT: **Contract Comments**
(Fiscal Review Committee Meeting 6/4/12)

**RFS# 317.86-00109 (Edison # 21851)**
**Department: Finance and Administration/Benefits Administration**
**Vendor: Union Security Insurance Company**
**Summary: The vendor provides prepaid dental benefits for the State Employee, Local Education, and Local Government Plans. The proposed amendment extends the current contract another year through December 31, 2013; increases the maximum liability by $5,000,000; includes payment rates for CY13; adds the CPI rates for services provided from January 1, 2014, through December 31, 2015; and revises the contract contact information.**
**Current maximum liability: $9,106,000**
**Proposed maximum liability: $14,106,000**

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

cc: Laurie Lee, Executive Director
Ms. Jessica Robertson, Chief Procurement Officer

STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
BENEFITS ADMINISTRATION
312 Rosa L. Parks Avenue
Suite 2600 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243
Phone (615) 741-4517 or (866) 576-0029
FAX (615) 253-8556

Mark A. Emkes
COMMISSIONER

Laurie Lee
EXECUTIVE DIRECTOR

**MEMORANDUM**

**TO:** Lucian Geise, Executive Director, Fiscal Review Committee

**FROM:** Laurie Lee

**DATE:** April 30, 2012

**RE:** **Union Security Insurance Company Amendment # 1, Edison # 21851**

This request for amendment # 1 comes to the Fiscal Review Committee with a January 1, 2013 effective date.

As detailed in the Non-Competitive Amendment request accompanying this correspondence, the current contractor, Union Security Insurance Company, has provided the State with Prepaid Dental insurance coverage for the public sector plans for the past two years. Per the terms of the original contract, the State has the option to extend the contract term for another year, with a rate increase adjusted according to the Consumer Price Index; the State seeks to pursue this renewal option as the Contractor has performed satisfactorily over the past two years. The original contract contained a provision to utilize CPI data ranging from September 2012 and that figure published in the same month, 12-months prior. In preparing the rates for this amendment, it was discovered that using that timeframe for an evaluation period would not provide the State with enough time to figure rates and prepare printing materials for the Annual Enrollment Transfer Period (AETP), so this amendment also seeks to revise the CPI data time frame used from September of the previous year, to January of the previous year.

The original contract is included for review. Thank you for your consideration of this request.

# Supplemental Documentation Required for Fiscal Review Committee

| | | | |
|---|---|---|---|
| *Contact Name: | Sylvia Chunn | *Contact Phone: | 615-253-8358 |
| *Original Contract Number: | FA1132633 | *Original RFS Number: | 31786-00109 |
| Edison Contract Number: (*if applicable*) | 21851 | Edison RFS Number: (*if applicable*) | 31786-00109 |
| *Original Contract Begin Date: | 7/28/2010 | *Current End Date: | 12/31/2012 |

| | |
|---|---|
| Current Request Amendment Number: (*if applicable*) | 1 (One) |
| Proposed Amendment Effective Date: (*if applicable*) | 1/1/2013 |
| *Department Submitting: | Finance & Administration |
| *Division: | Benefits Administration |
| *Date Submitted: | |
| *Submitted Within Sixty (60) days: | Yes |
| *If not, explain*: | |
| *Contract Vendor Name: | Union Security Insurance Company |
| *Current Maximum Liability: | $9,106,000.00 |

*Current Contract Allocation by Fiscal Year:
***(as Shown on Most Current Fully Executed Contract Summary Sheet)***

| FY:2011 | FY:2012 | FY:2013 | FY: | FY | FY |
|---|---|---|---|---|---|
| $2,250,000 | $4,520,000 | $2,336,000 | $ | $ | $ |

*Current Total Expenditures by Fiscal Year of Contract:
***(attach backup documentation from STARS or FDAS report)***

| FY:2011 | FY:2012 | FY:2013 | FY: | FY | FY |
|---|---|---|---|---|---|
| $2,362,504.99 | $3,805,007.48 | $N/A | $ | $ | $ |

| | |
|---|---|
| **IF** Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent: | Payments to the Contractor are based on payroll deduction and the payment of premiums by employees and retirees are paid directly to the Contractor. |
| **IF** surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision: | The funds are based upon payroll deductions and premiums are paid directly by members, so funds have not been carried forward for these services. |
| **IF** Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage: | N/A; |

| | | | | |
|---|---|---|---|---|
| *Contract Funding Source/Amount: | State: | | Federal: | |

# Supplemental Documentation Required for Fiscal Review Committee

| | | | |
|---|---|---|---|
| Interdepartmental: | $9,106,000.00 | *Other*: | |
| If "*other*" please define: | | | |

| Dates of All Previous Amendments or Revisions: (*if applicable*) | Brief Description of Actions in Previous Amendments or Revisions: (*if applicable*) |
|---|---|
| N/A | |
| | |
| | |

| | |
|---|---|
| Method of Original Award: (*if applicable*) | RFP |
| *What were the projected costs of the service for the entire term of the contract prior to contract award? | $9,106,000.00 |

# Supplemental Documentation Required for Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

**Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.**

| Deliverable description: | FY: | FY: | FY: | FY: | FY: |
|---|---|---|---|---|---|
| N/A | | | | | |
| | | | | | |
| | | | | | |

**Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.**

| Deliverable description: | FY: | FY: | FY: | FY: | FY: |
|---|---|---|---|---|---|
| N/A | | | | | |
| | | | | | |
| | | | | | |

**Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.**

| Proposed Vendor Cost: (name of vendor) | FY: | FY: | FY: | FY: | FY: |
|---|---|---|---|---|---|
| N/A | | | | | |
| Other Vendor Cost: (name of vendor) | FY: | FY: | FY: | FY: | FY: |
| N/A | | | | | |
| Other Vendor Cost: (name of vendor) | FY: | FY: | FY: | FY: | FY: |
| N/A | | | | | |

**Union Security aka Assurant**

Contract # 21851

Reports pulled: 4/20/2012

| FY | Payments |
|---|---|
| 2011 | 2,362,504.99 |
| 2012 | 3,805,007.48 |
| Total | 6,167,512.47 |

# Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

| APPROVED |
|---|
| COMMISSIONER OF FINANCE & ADMINISTRATION |

| | |
|---|---|
| **Request Tracking #** | **31786-00109** |
| **1. Procuring Agency** | **Finance and Administration, Division of Benefits Administration** |
| **2. Contractor** | **Union Security Insurance Company** |
| **3. Contract #** | **FA1132633** |
| **4. Proposed Amendment #** | **1** |
| **5. Edison ID #** | **21851** |

| | |
|---|---|
| **6. Contract Begin Date** | **July 28, 2010** |
| **7. Current Contract End Date**<br>*– with ALL options to extend exercised* | **December 31, 2012** |
| **8. Proposed Contract End Date**<br>*– with ALL options to extend exercised* | **December 31, 2013** |
| **9. Current Maximum Contract Cost**<br>*– with ALL options to extend exercised* | **$ 9,106,000.00** |
| **10. Proposed Maximum Contract Cost**<br>*– with ALL options to extend exercised* | **$ 14,106,000.00** |
| **11. Office for Information Resources Endorsement**<br>*– information technology service (N/A to THDA)* | ☒ **Not Applicable** ☐ **Attached** |
| **12. eHealth Initiative Support**<br>*– health-related professional, pharmaceutical, laboratory, or imaging* | ☐ **Not Applicable** ☒ **Attached** |
| **13. Human Resources Support**<br>*– state employee training service* | ☒ **Not Applicable** ☐ **Attached** |

**14. Explanation Need for the Proposed Amendment**

**To extend the service provision for one additional year per the term extension clause contained in the original base contract, and add additional funding for the extension.**

**15. Name & Address of the Contractor's Principal Owner(s)**
*– NOT required for a TN state education institution*

Dana Ennis, National Account Director
Union Security Insurance Company

| Request Tracking # | 31786-00109 |
|---|---|
| 3595 Grandview Parkway, Suite 650<br>Birmingham, AL 35243 | |
| **16. Evidence Contractor's Experience & Length Of Experience Providing the Service**<br><br>**The Contractor has been providing these services to the State since July of 2010.** | |
| **17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives**<br><br>**N/A** | |
| **18. Justification** – *specifically explain why non-competitive negotiation is in the best interest of the state*<br><br>**This service was procured competitively and the calculations for rates for any contract extensions were detailed in the base contract. It will save the State resources to allow an additional year to the contract term with pre-negotiated rates than to procure the services again.** | |
| **Agency Head Signature and Date** – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances* | |

# E-Health Pre-Approval Endorsement Request
## E-Mail Transmittal

**TO :** Lovel VanArsdale, Office of e-Health Initiatives
Department of Finance & Administration

**E-mail :** Lovel.Vanarsdale@tn.gov

**FROM :** Sylvia Chunn

**E-mail :** Sylvia.chunn@tn.gov

**DATE :** 4/24/12

**RE :** Request for eHealth Pre-Approval Endorsement

| **Applicable RFS # 31786-00109** | |
|---|---|
| **Office of e-Health Initiatives Endorsement Signature & Date:** | |
| | 4/24/2012 |
| **Office of e-Health Initiatives** | |

Office of e-Health Initiatives (eHealth) pre-approval endorsement appears to be required pursuant to professional service contracting regulations pertaining to procurements with medical/mental health-related professional, pharmaceutical, laboratory, or imaging type services as a component of the scope of service. This request seeks to ensure that eHealth is aware of and has an opportunity to review the procurement detailed below and in the attached document(s).

Please indicate eHealth endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

| | |
|---|---|
| **Contracting Agency** | **Finance & Administration, Benefits Administration** |
| **Agency Contact** *(name, phone, e-mail)* | **Sylvia D. Chunn**<br>**615-253-8358**<br>**Sylvia.chunn@tn.gov** |
| **Required Attachments** *(as applicable – copies without signatures acceptable)*<br>☒ RFP, Competitive Negotiation Request, Alternative Procurement Method Request, or Non-Competitive Contract/Amendment Request<br>☒ proposed contract or amendment | |
| **Medical/Mental Health-Related Service Description**<br>Prepaid Dental Benefits for the Public Sector Plans, amendment to extend the contract term by one year and add additional funding. | |

# CONTRACT AMENDMENT

| Agency Tracking # | Edison ID | Contract # | Amendment # |
|---|---|---|---|
| 31786-00109 | 21851 | FA-11-32633 | 1 |

| Contractor Legal Entity Name | Edison Vendor ID |
|---|---|
| Union Security Insurance Company | 69118 |

**Amendment Purpose & Effect(s)**

Extend Contract Term one year and add new rates for the new year according to the base contract.

**Amendment Changes Contract End Date:** ☒ YES ☐ NO **End Date:** 12/31/2013

**TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):** **$ 5,000,000.00**

**Funding —**

| FY | State | Federal | Interdepartmental | Other | TOTAL Contract Amount |
|---|---|---|---|---|---|
| 2011 | | | $2,250,000.00 | | $2,250,000.00 |
| 2012 | | | $4,520,000.00 | | $4,520,000.00 |
| 2013 | | | $4,836,000.00 | | $4,836,000.00 |
| 2014 | | | $2,500,000.00 | | $2,500,000.00 |
| | | | | | |
| TOTAL: | | | | | **14,106,000.00** |

**American Recovery and Reinvestment Act (ARRA) Funding:** ☐ YES ☒ NO

**Budget Officer Confirmation:** There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

| Speed Chart (optional) | Account Code (optional) |
|---|---|
| IA0000094,IA00000095, IA00000096 | ok 79007000 |

*OCR USE*

**AMENDMENT ONE**
**OF CONTRACT FA1132633**

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

1. Contract section B.1 is deleted in its entirety and replaced with the following:

B.1. This Contract shall be effective for the period commencing on July 28, 2010 and ending on December 31, 2013. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

2. 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 Fourteen Million One Hundred Six Thousand Dollars ($14,106,000.00). 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. 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 payment 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.

a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.

b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

(1) For service performed from January 1, 2011, through December 31, 2013, the following rates shall apply:

| Four Tiered Guaranteed Monthly Premiums for Active Employees | Calendar Year 2011 1/ 1/2011 – 12/31/ 2011 | Calendar Year 2012 1/ 1/2012 – 12/31/ 2012 | Calendar Year 2013 1/ 1/2013 – 12/31/ 2013 |
|---|---|---|---|
| Employee | $9.35/Active Employee Member | $9.35/Active Employee Member | $9.63/Active Employee Member |
| Employee + Spouse | $16.57/Active Employee Member | $16.57/Active Employee Member | $17.07/Active Employee Member |
| Employee + Child(ren) | $19.42/Active Employee Member | $19.42/Active Employee Member | $20.00/Active Employee Member |
| Employee + Spouse + Child(ren) | $22.79/Active Employee Member | $22.79/Active Employee Member | $23.47/Active Employee Member |
| **Four Tiered Guaranteed Monthly Premiums for Retirees** | **Calendar Year 2011 1/ 1/2011 – 12/31/ 2011** | **Calendar Year 2012 1/ 1/2012 – 12/31/ 2012** | **Calendar Year 2013 1/ 1/2013 – 12/31/ 2013** |
| Retirees | $10.28/Retiree Member | $10.28/Retiree Member | $10.59/Retiree Member |
| Retirees + Spouse | $18.23/Retiree Member | $18.23/Retiree Member | $18.78/Retiree Member |
| Retirees + Child(ren) | $21.36/Retiree Member | $21.36/Retiree Member | $22.00/Retiree Member |
| Retirees + Spouse + Child(ren) | $25.06/Retiree Member | $25.06/Retiree Member | $25.81/Retiree Member |

(2) For service performed from January 1, 2014 through December 31, 2014 the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1)) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, ALL ITEMS /MEDICAL CARE expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in January, 2013 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).

(3) For service performed from January 1, 2015 through December 31, 2015 the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1)) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, ALL ITEMS /MEDICAL CARE expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States

Department of Labor, Bureau of Labor Statistics in January, 2014 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).

c. The Contractor is responsible for maintaining the plan Member Cost Amounts contained in Contract Attachment C during the term of this Contract. See Contract Section A.3.a

4. Contract section C.5.a is deleted in its entirety and replaced with the following:

C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in Section C.3, above, and as required below prior to any payment.

a. The Contractor shall submit invoices no more often than monthly, with all necessary supporting documentation, to:

Sylvia D. Chunn, Procurement & Contracting Manager
Tennessee Department of Finance & Administration
Benefits Administration Division
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Suite 2600
Nashville, Tennessee 37243

5. 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:

Sylvia D. Chunn, Procurement & Contracting Manager
Tennessee Department of Finance & Administration
Benefits Administration Division
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Suite 2600
Nashville, Tennessee 37243
Telephone # 615.253.8358
FAX # 615.253.8556
Sylvia.Chunn@tn.gov

The Contractor:

Dana Ennis, National Account Director
Union Security Insurance Company
2700 Corporate Drive, Suite 150
Birmingham, AL 35242
Telephone # 337.991.0305
FAX # 205.909.5202
Dana.Ennis@Assurant.com

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

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective January 1, 2013. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**UNION SECURITY INSURANCE COMPANY:**

Dianna D. Duvall 7-16-2012

**SIGNATURE** **DATE**

Dianna D. Duvall Senior Vice President

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

**DEPARTMENT OF FINANCE AND ADMINISTRATION,**
**STATE INSURANCE COMMITTEE,**
**LOCAL EDUCATION INSURANCE COMMITTEE AND**
**LOCAL GOVERNMENT INSURANCE COMMITTEE:**

Mark A. Emkes 7-24-12

**MARK A. EMKES, CHAIRMAN** MOA **DATE**

# CONTRACT

(FA-type fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

| Agency Tracking # | Edison ID |
|---|---|
| 31786-00109 | 21851 |

| Contractor | Contractor Federal Employer Identification or Social Security # |
|---|---|
| Union Security Insurance Company | ☐ C- or ☒ V- 81-0170040 |

**Service**
Prepaid dental insurance coverage.

| Contract Begin Date | Contract End Date | Subrecipient or Vendor | CFDA #(s) |
|---|---|---|---|
| July 28, 2010 | December 31, 2012 | ☐ Subrecipient ☒ Vendor | |

| FY | State | Federal | Interdepartmental | Other | TOTAL Contract Amount |
|---|---|---|---|---|---|
| FY2011 | | | $2,250,000.00 | | $2,250,000.00 |
| FY2012 | | | $4,520,000.00 | | $4,520,000.00 |
| FY2013 | | | $2,336,000.00 | | $2,336,000.00 |
| | | | | | |
| | | | | | |
| TOTAL: | | | $9,106,000.00 | | $9,106,000.00 |

**American Recovery and Reinvestment Act (ARRA) Funding** – ☐ YES ☒ NO

OCR USE
FA

F&A Secured Document

# FA1132633

**Agency Contact & Telephone #**
Marlene D. Alvarez, Procurement & Contracting Manager
Tennessee Department of Finance & Administration
Benefits Administration Division
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Suite 2600
Nashville, Tennessee 37243
Telephone: 615.253.8358
Fax: 615.253.8556
Marlene.alvarez@tn.gov

**Agency Budget Officer Approval** (there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

| Speed Code | Account Code |
|---|---|
| IA00000094, IA00000095 and IA 00000096 | 79007000 |

**Contractor Ownership/Control**

☐ African American ☐ Person w/ Disability ☐ Hispanic ☐ Small Business ☐ Government
☐ Asian ☐ Female ☐ Native American ☒ NOT Minority/Disadvantaged ☐ Other

**Contractor Selection Method**

☒ RFP ☐ Competitive Negotiation * ☐ Alternative Competitive Method *
☐ Non-Competitive Negotiation * ☐ Other *

***Procurement Process Summary**

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

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

The Contractor is a for-profit corporation.
Contractor Federal Employer Identification or Social Security Number: 81-0170040
Contractor Place of Incorporation or Organization: State of Kansas

## A. SCOPE OF SERVICES:

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed by this Scope of Services and shall meet all service and delivery timelines specified in the Scope of Services section or elsewhere in this Contract.

a) The Contractor agrees to provide a Prepaid Dental Plan option to active employees, COBRA participants and survivors of the State of Tennessee, Local Education Agencies and Local Government Agencies, and their eligible dependents (hereafter referred to as "participants" or "members"), who elect to participate in the Prepaid Dental Plan. This option will be delivered in accordance with the requirements of this contract.

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

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

A.2 <u>Provider Network</u>

The Contractor shall establish and administer a Prepaid Dental Plan network of dental providers for participants, in accordance with this contract. The Contractor further agrees to secure under contract, participation by General Dentist and Dental Specialists (i.e. Oral Surgeons, Orthodontists, Endodontists, Periodontist and Pedodontists) as needed and necessary to continuously provide high quality, cost effective services, adequate distribution, and reasonable access from a geographic and service standpoint throughout the State of Tennessee during the term of this contract. The State shall review network accessibility and shall inform the Contractor, in writing, of any deficiencies it identifies which deny reasonable access to dental care. The Contractor shall respond to the State, in writing, as to the action it intends to take to correct said deficiencies. As measured by the GeoNetworks Provider and Facility Network Accessibility Analysis, the Contractor's provider network shall ensure ninety-five percent (95%) of all members shall have access to a general dentist with a provider within thirty (30) miles and a specialist dentist within forty-five (45) miles. The total primary dentists leaving the network, regardless of the departure is voluntary or non-voluntary shall not exceed fifteen percent (15%) during a calendar year of the Contract term.

a. The Contractor shall maintain the capability to respond to inquiries from participants concerning participation by dentists in the network, by specialty by county. Such capabilities shall be by toll-free telephone and web based provider search capability.

b. The Contractor shall contract only with dentists who are duly licensed to provide such dental services. In addition, the Contractor shall require that all providers maintain all licenses and accreditations in existence at the time of selection as a network provider and in order to continue their status as a network provider. The Contractor shall perform on a continuous basis, appropriate provider credentialing that assures the quality of network providers. Re-credentialing of network providers must be performed at least every three years.

(1) The Contractor shall maintain communication with providers to ensure that the providers are familiar with the Prepaid Dental Plan benefits and procedural requirements. There must be provisions for face-to-face contact in addition to telephone and written contact for the purpose of monitoring provider conformance with plan standards, quality requirements and prepaid payment provisions.

(2) The Contractor shall notify all network providers of and enforce compliance with all provisions of the plan.

(3) The Contractor shall notify affected participants in writing when a primary dentist terminates or is terminated from the provider network.

c. The Contractor shall cooperate fully with audits the State may conduct of management to include clinical processes and outcomes, internal audits, provider networks, and any other aspect of the program the State deems appropriate (at the State's expense). The State may select any qualified persons or organization to conduct the audits. To the extent allowed by applicable law, the State agrees that persons or organizations conducting audits of the Contractor shall be prohibited from disclosing confidential patient records or proprietary or confidential information reasonably designated as such by the Contractor.

d. The Contractor shall maintain an internal quality assurance plan .The Contractor shall provide the State with a summary of the plan indicating areas addressed, established criteria and standards and those methods employed to evaluate results.

A.3 Administrative Services

a. The Contractor shall administer the Optional Prepaid Dental Plan for active employees and their dependents based on the State's eligibility requirements and in accordance with the Group Contract/Certificate for Prepaid Dental Benefits and Member Procedure Code Co-payment Schedules for Participating General Dentists and Specialists (Contract Attachment C). The Contractor shall also administer the Optional Prepaid Dental Plan for eligible retirees and their dependents based on the State's eligibility requirements and in accordance with the Retiree Prepaid Dental Plan Option. See also Contract Section C.3.c. The State reserves the right to cap enrollment (e.g., suspend all new enrollments or allow new enrollments only in specified regions or counties).

b. The Contractor shall provide Orthodontic benefits with no age restrictions or dollar maximums to Prepaid Plan members at a 25% discount of the network Specialist's normal fees. The State also expects the selected vendor to demonstrate adequate monitoring of provider billing practices for orthodontic care to ensure that employees are being charged the appropriate fee.

c. The Contractor may charge the active employee plan members a co-pay no greater than $10.00 for an Office Visit – during regularly scheduled hours, and $20.00 for a missed appointment where the member or their representative did not provide notice of

cancellation 24 hours before the scheduled appointment, and the Contractor may charge the retiree plan members a co-pay no greater than $10.00 for an Office Visit – during regularly scheduled hours, and $25.00 for a missed appointment where the member or their representative did not provide notice of cancellation 24 hours before the scheduled appointment.

d. The Contractor shall maintain an electronic data processing (EDP) environment that supports the requirements of this contract. 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.

e. The Contractor shall confirm eligibility of each member, on the basis of eligibility information provided by the State that applies to the period during which the charges/services were incurred. The Contractor shall provide services to participants who elect the Prepaid Dental Plan option; participation in said option shall be for twelve (12) months or until the State's next annual enrollment period, whichever occurs first; unless the participant's coverage has been terminated. Upon evidence of insufficient provider network coverage, judged at the State's sole discretion, members shall be allowed to transfer coverage to the State-sponsored Preferred Dental Plan option.

f. To ensure the efficient and timely provision of benefits and the adequate capture of data, the Contractor shall provide participants with identification cards. The cost of these items shall be borne by the Contractor. The State reserves the authority to review any forms and identification cards prior to issuance for use. Contractor shall update eligibility and shall mail participant identification cards to members' home addresses no later than fourteen (14) days from receipt of the new enrollment or change in enrollment.

g. The Contractor shall maintain a full service staff to assist with inquiries, correspondence, unusual situations or problems, and complaints. The Contractor shall answer, in writing, within ten (10) calendar days all written inquiries from participants concerning the status of claims submitted, all benefits available through the benefit option, its clarifications and revisions, and other relevant information requested.

h. The Contractor shall establish a formal grievance procedure, for participants and providers to appeal decisions in regard to administration of the plan, to medical necessity determinations and to disputes that may arise in the administration of the program. The Contractor shall provide the State with two (2) written copies of this grievance procedure, and the State reserves the right to review the procedure and make recommendations, where appropriate.

i. Upon termination of this contract, all Contractor obligations associated with the processing and payment of claims – for all claims incurred within the term of the contract – shall survive such termination.

j. The Contractor shall respond in writing to all inquiries by the Division of Benefits Administration within two (2) weeks after receipt of said inquiry. A written response to the State's inquiry, by the Contractor, is required. In cases where additional information to answer the State's inquiry is required, the Contractor shall notify the State immediately as to when the response can be furnished to the State.

k. The Contractor shall maintain statewide, toll-free phone lines for the exclusive purpose of participant inquiries. These phone lines shall be operated, at a minimum, from 7:00 AM to 4:30 PM, Central Time, on all normal working days of the Contractor. One Hundred Percent (100%) of all calls requesting a member services representative will be answered within five (5) minutes or three hundred (300) seconds or less. The abandoned call rate shall not exceed five percent (5%) for those callers who abandon the call while waiting to speak to a live customer representative.

l. The Contractor shall provide an email environment that meets the standards for privacy and security required by HIPAA, for the purpose of communication of sensitive and/or personal health information between itself and the State.

m. The Contractor shall designate an individual with overall responsibility for the State-sponsored benefit. This person shall be at the Contractor's executive level and shall designate the following positions to interface directly with the State: (1) Program Director (external and marketing operations); and (2) Program Director (internal and administrative functions). Said designees shall be responsible for the coordination and operation for all aspects of the contract.

n. The Contractor, at the request of either party, shall meet with representatives of the State periodically, but no less than quarterly, to discuss any problems and/or progress on matters outlined by the State. The Contractor shall have in attendance one of its Program Directors and, as necessary, representatives from its organizational units, to respond to topics indicated by the State's agenda.

o. The Contractor shall assist the State in the education and dissemination of information regarding the benefit. This assistance shall include but not be limited to:

(1) written information;
(2) audio/video presentations;
(3) attendance at meetings, workshops, and conferences; and
(4) training of State personnel in administration of benefits and claims adjudication process.

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

p. The Contractor shall, in consultation with and following approval by the State, print and distribute all: Certificates of Group Benefits, Dentist Selection forms, member handbooks, policies, identification cards, letters, administrative forms, manuals, provider directories, and annual employee benefit booklets. The cost of printing and distributing all of the above listed items shall be the responsibility of the Contractor. This provision excludes enrollment forms, which are the State's responsibility. One Hundred percent (100%) of the State approved member information will be distributed prior to the annual transfer period, usually to occur between October 15th and November 15th in a calendar year, unless otherwise directed by the State. Member identification cards shall be distributed to at least ninety percent (90%) of all members prior to December 20th preceding the January 1st start date for each year of the Contract.

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

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

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

t. The Contractor shall not initiate contact with the Agency Benefit Coordinators (ABCs) during the term of this Contract. If an ABC contacts the Contractor directly, the Contractor shall refer the ABC to Benefits Administration staff.

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

v. The Contractor shall perform, following review and approval by the State, member satisfaction surveys. The survey shall be conducted no more frequently than once during each calendar year at a time mutually agreed upon by the State and the Contractor and shall involve a statistically valid random sample of State participants. The overall member satisfaction shall be seventy-five percent (75%) or greater during the first year of the Contract and eighty percent (80%) or greater during the second year of the Contract. Should the Contract be extended the eighty percent (80%) or greater satisfaction survey result shall be in place for all the Contract extension years. Based upon the results of the survey, the Contractor and the State shall jointly develop an action plan to correct problems or deficiencies identified through this activity.

A.4 Data and Specific Reporting Requirements

a. The Contractor shall maintain or secure an electronic data interface with the State of Tennessee's Edison System, for the purpose of processing State member enrollment information, please refer to Attachment D, Edison 834 Vendor File Format. The Contractor is responsible for providing and installing the hardware and software necessary. The Contractor must adhere to the privacy and security regulations required by the Health Insurance Portability & Accountability Act of 1996 (HIPAA).

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

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

(1) **Weekly Enrollment Update:** To ensure that State plan participants' enrollment records remain accurate and complete, the Contractor commits to the following:

i. to retrieve, via secure medium (see A.4.a.) weekly enrollment data electronic transfer files from the State, in the State's Edison 834 file values (See Attachment D).

ii. to complete each of the following tasks by the indicated deadline:

| Required Task: | 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 |
| 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 | within six (6) working days of receipt of the files from the State |

| | |
|---|---|
| databases. | |

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

iv. The Contractor shall also require of its subcontractors, as applicable, maintenance of Weekly Enrollment Updates. Section A.4.c.(1) shall be monitored by the State as Performance Guarantee # 9 (see Contract Attachment B).

(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 via secure medium its full file of State enrollees, by which the State will conduct a data match against the State's Edison database. The purpose of this data match will be to determine the extent to which the Contractor is maintaining its database of State members, as required by Section A.4.c.(1).

i. Failure by the Contractor to submit records, and in an agreed upon format, within fourteen (14) calendar days of the request from the State, shall result in non-compliance with the request.

ii. Results of this match will be communicated to the Contractor, including any requirements – and associated timeframes – for resolving the discrepancies identified by the data match. Failure by the Contractor to resolve the discrepancies, within the specified timeframe(s) will result in a non-compliance with the correction request. 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.

(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.

(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.

d. Performance Guarantees. The Contractor agrees to be bound by the provisions contained in Contract Attachment B, Performance Guarantees, and to pay amounts due upon notification and demonstration of Contractor non-compliance by the State.

e. Performance Guarantees under Contract Extension. If this Contract is extended, per Section B.2, the Performance Guarantees shall remain unchanged for the years extended.

f. Claims Reporting Requirements.

The Contractor shall provide a report to the State detailing the total claims incurred, paid, the number of members receiving treatment and the total premiums received on a

quarterly and annual basis. The report shall be due within thirty (30) days of the end of the quarter being reported and within thirty (30) days of the end of the calendar year being reported.

A.5 Submit Management Reports

a. The Contractor shall provide the State with Management Reports as described in Contract Attachment E. Management Reports shall be submitted on a quarterly basis, as well as annually, with program year aggregate totals. Reporting shall continue as required for a period following termination of the contract in order to include the termination year. These reports shall be submitted in an electronic format agreed upon between the Contractor and the State.

b. Generate and deliver to the State, within five working days of the end of each contract quarter, a Quarterly Network Changes Report (format to be mutually agreed).

c. Annually provide the State with a GeoNetworks® report showing service and geographic access (see **Contract Attachment B: Performance Guarantee # 8).** The State shall review the network structure and shall inform the Contractor in writing of any deficiencies the State considers that would deny reasonable access to dental care. The State and Contractor shall then mutually develop a plan of action to correct said deficiencies within sixty (60) days from the date the Contractor was first notified of the problem.

A.6 Performance Measurements

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

a. A.3.p. – Communications approval
b. A.4.c.(1) – Weekly Eligibility Update
c. A.4.c.(2) – State of Tennessee Enrollment Data Match
d. A.4.d. – Performance Guarantees
e. A.4.e. – Performance Guarantees under Contract Extension

A.7 Services Provided by State

The State shall provide eligibility records. These records shall include changes in participants' status and information concerning covered dependents. The Contractor's computer system shall be compatible with and/or have the capability to utilize the eligibility information provided by the State.

**B.1. CONTRACT TERM:**

This Contract shall be effective for the period commencing on July 28, 2010 and ending on December 31, 2012. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

B.2. Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than five (5) years, provided that 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.

**C. PAYMENT TERMS AND CONDITIONS:**

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Nine Million One Hundred Six Thousand Dollars ($9,106,000.00). 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.

C.2. Compensation Firm. The payment 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 payment 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.

a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.

b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

(1) For service performed from January 1, 2011, through December 31, 2012, the following rates shall apply:

| **Four Tiered Guaranteed Monthly Premiums for Active Employees** | **Calendar Year 2011**<br>**1/ 1/2011 – 12/31/ 2011** | **Calendar Year 2012**<br>**1/ 1/2012 – 12/31/ 2012** |
|---|---|---|
| **Employee** | **$9.35** | **$9.35** |
| **Employee + Spouse** | **$16.57** | **$16.57** |
| **Employee + Child(ren)** | **$19.42** | **$19.42** |
| **Employee + Spouse + Child(ren)** | **$22.79** | **$22.79** |
| **Four Tiered Guaranteed Monthly Premiums for Retirees** | **Calendar Year 2011**<br>**1/ 1/2011 – 12/31/ 2011** | **Calendar Year 2012**<br>**1/ 1/2012 – 12/31/ 2012** |
| **Employee** | **$10.28** | **$10.28** |

| | | |
|---|---|---|
| **Employee + Spouse** | **$18.23** | **$18.23** |
| **Employee + Child(ren)** | **$21.36** | **$21.36** |
| **Employee + Spouse + Child(ren)** | **$25.06** | **$25.06** |

(2) For service performed from January 1, 2013, through December 31, 2013, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1)) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, ALL ITEMS /MEDICAL CARE expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in September, 2012 and that figure published in the same month, 12-months prior, up to a maximum of three (3) percent (3%).

(3) For service performed from January 1, 2014, through December 31, 2014, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1)) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, ALL ITEMS /MEDICAL CARE expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in September, 2013 and that figure published in the same month, 12-months prior, up to a maximum of three (3) percent (3%).

(4) For service performed from January 1, 2015, through December 31, 2015, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1)) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, ALL ITEMS /MEDICAL CARE expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in September, 2014 and that figure published in the same month, 12-months prior, up to a maximum of three (3) percent (3%).

c. The Contractor is responsible for maintaining the plan Member Cost Amounts contained in Contract Attachment C during the term of this Contract. See Contract Section A.3.a.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in Section C.3, above, and as required below prior to any payment.

a. The Contractor shall submit invoices no more often than monthly, with all necessary supporting documentation, to:

Marlene Alvarez, Procurement & Contracting Manager
Tennessee Department of Finance & Administration
Benefits Administration Division
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Suite 2600
Nashville, Tennessee 37243

b. The Contractor agrees that each invoice submitted shall clearly and accurately (all calculations must be extended and totaled correctly) detail the following required information.

(1) Invoice/Reference Number (assigned by the Contractor);
(2) Invoice Date;
(3) Invoice Period (period to which all invoiced charges are applicable);
(4) Contract Number (assigned by the State to this Contract);
(5) Account Name: Department of Finance and Administration, Benefits Administration;
(6) Account/Customer Number (uniquely assigned by the Contractor to the above-referenced Account Name);
(7) Contractor Name;
(8) Contractor Federal Employer Identification Number or Social Security Number (as referenced in this Contract);
(9) Contractor Contact (name, phone, and/or fax for the individual to contact with billing questions);
(10) Contractor Remittance Address;
(11) Complete Itemization of Charges, which shall detail the following:

i. Service or Milestone Description (including name /title as applicable) of each service invoiced;
ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced;
iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced;
iv. Amount Due by Service; and
v. Total Amount Due for the invoice period.

c. The Contractor understands and agrees that an invoice to the State under this Contract shall:

(1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
(2) not include any future work but will only be submitted for completed service; and
(3) not include sales tax or shipping charges.

d. The Contractor agrees that timeframe for payment (and any discounts) begins when the State is in receipt of each invoice meeting the minimum requirements above.

e. The Contractor shall complete and sign a "Substitute W-9 Form" provided to the Contractor by the State. The taxpayer identification number contained in the Substitute W-9 submitted to the State shall agree to the Federal Employer Identification Number or Social Security Number referenced in this Contract for the Contractor. The Contractor shall not invoice the State for services until the State has received this completed form.

C.6. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.

C.8. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any Contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.

C.9. Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other Contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.

**D. STANDARD TERMS AND CONDITIONS:**

D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.

D.3. Termination for Convenience. The Contract may be terminated by either party through written notice provided to the other party. The State shall provide at least Ninety (90) days notice and the Contractor shall provide at least Two Hundred Seventy (270) days notice 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.

a. The State will provide notification of termination for cause in writing. This notice will: (1) specify in reasonable detail the nature of the breach; (2) provide the Contractor with an opportunity to cure, which must be requested in writing no less than 10 days from the date of the Termination Notice; and (3) shall specify the effective date of termination in the event the Contractor fails to correct the breach. The Contractor must present the State with a written request detailing the efforts it will take to resolve the problem and the time period for such resolution. 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. In circumstances where an opportunity to cure is not available, termination will be effective immediately.

b. Notwithstanding the foregoing, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.

D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as

identified by the section headings). 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 at Attachment A, 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 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. Prevailing Wage Rates. All contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*.

D.11. 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.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.13. 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.14. 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.15. State Liability. The State shall have no liability except as specifically provided in this Contract.

D.16. 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, natural disasters, riots, wars, epidemics, or any other similar cause.

D.17. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.

D.18. 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.19. 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.20. 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.21. 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 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, Procurement & Contracting Manager
Tennessee Department of Finance & Administration
Benefits Administration Division
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Suite 2600
Nashville, Tennessee 37243
Telephone # 615.253.8358
FAX # 615.253.8556
Marlene.alvarez@tn.gov

The Contractor:

Dana Ennis, National Account Director
Union Security Insurance Company
3595 Grandview Parkway, Suite 650
Birmingham, AL 35243
Telephone # 337.991.0305
FAX # 205.909.5202
Dana.Ennis@Assurant.com

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

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

a. The State will not contract with either a former state employee who received a VBP severance payment or an entity in which a former state employee who received a VBP severance payment or the spouse of such an individual holds a controlling financial interest.

b. The State may contract with an entity with which a former state employee who received a VBP severance payment is an employee or an independent contractor. Notwithstanding the foregoing, the Contractor understands and agrees that there may be unique business circumstances under which a return to work by a former state employee who received a VBP severance payment as an employee or an independent contractor of a State contractor would not be appropriate, and in such cases the State may refuse Contractor personnel. Inasmuch, it shall be the responsibility of the State to review Contractor personnel to identify any such issues.

c. With reference to either subsection a. or b. above, a contractor may submit a written request for a waiver of the VBP restrictions regarding a former state employee and a contract with a state agency that participated in the VBP. Any such request must be submitted to the State in the form of the *VBP Contracting Restriction Waiver Request* format available from the State and the Internet at: www.state.tn.us/finance/rds/ocr/waiver.html. The determination on such a request shall be at the sole discretion of the head of the state agency that is a Party to this Contract, the Commissioner of Finance and Administration, and the Commissioner of Human Resources.

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

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

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

E.7. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.

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.

E.8. 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.9. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP # 31786 - 00109 (Attachment 6.2.B.15) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of

this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the state of Tennessee Governor's Office of Diversity Business Enterprise in form and substance as required by said office.

E.10. Limitation of Liability. The parties agree that the Contractor's liability under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this section limit the liability of the Contractor for intentional torts, criminal acts, or fraudulent conduct.

E.11. 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— In the event of a Breach, the State may assess Liquidated Damages as outlined in Contract Attachment B. The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. 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 Liquidated Damages contained in above referenced Contract Attachment B 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 Liquidated Damages 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 liquidated damage amount is 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 withhold the Liquidated Damages 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 Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages 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 Liquidated Damages previously withheld except in the event of a Partial Default.

The State may conduct "secret shopper" and other monitoring activities during the operation of this Contract. The State may also assess liquidated damages for breaches of contract that it discovers during these and other activities as outlined in Contract Attachment B.

(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. The Notice of Partial Default and termination of services associated with the Breach shall advise the Contractor whether the State will provide an opportunity to cure. 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 Liquidated Damages against the Contractor for any failure to perform which ultimately results in a Partial Default with said Liquidated Damages 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.

The Termination Notice must (1) specify in reasonable detail the nature of the Breach; (2) provide Contractor with an opportunity to cure, which shall be no less than 30 days from the date of the Termination Notice; (3) shall specify the effective date of termination in the event Contractor fails to correct the Breach. The Contractor shall present the State with a written request detailing the efforts it will take to resolve the problem. 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.

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.

**IN WITNESS WHEREOF,**

**UNION SECURITY INSURANCE COMPANY:**

Kimberly R. Reese 7-19-10

**CONTRACTOR SIGNATURE** **DATE**

KIMBERLY R. REESE, 2ND VP

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

**DEPARTMENT OF FINANCE AND ADMINISTRATION,**
**STATE INSURANCE COMMITTEE,**
**LOCAL EDUCATION INSURANCE COMMITTEE AND**
**LOCAL GOVERNMENT INSURANCE COMMITTEE:**

M. D. Goetz Jr. 7-20-10

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

# ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

| | |
|---|---|
| **SUBJECT CONTRACT NUMBER:** | 21851 |
| **CONTRACTOR LEGAL ENTITY NAME:** | Union Security Insurance Company |
| **FEDERAL EMPLOYER IDENTIFICATION NUMBER:** (or Social Security Number) | 81-0170040 |

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

Kimberly R. Reese

**CONTRACTOR SIGNATURE**

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

KIMBERLY R. REESE, 2ND VP

**PRINTED NAME AND TITLE OF SIGNATORY**

07-19-10

**DATE OF ATTESTATION**

| **1. Provider Network Accessibility, refer to Contract Section A.2.** | | |
|---|---|---|
| ***Guarantee*** | As measured by the GeoNetworks® Provider & Facility Network Accessibility Analysis, the Contractor's provider network will assure that 95% of all members will have the Access Standard indicated. | |
| **Definition** | **Provider Type** | **Access Standard** |
| | General Dentists | 1 provider within 30 miles |
| | Specialist Dentists | 1 provider within 45 miles |
| ***Non-compliance amount*** | $5,000.00 if EITHER of the above standards is not met, either individually or in combination. | |
| **Measurement** | Annual guarantee: Measured, reported and reconciled annually. | |
| **2. Primary Dentist Turnover rate, refer to Contract Section A.2.** | | |
| ***Guarantee*** | Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary will not exceed 15%. | |
| **Definition** | Total Primary Dentists leaving the network, regardless if the action is voluntary or involuntary, divided by total number of dentists in network at beginning of period. | |
| **Non-compliance amount** | $10,000.00 if dental turnover rate exceeds 15% in any Contract Year. | |
| **Measurement** | Measured, reported and reconciled annually through life of contract. | |
| **3. Telephone Response Time, refer to Contract Section A.3.k.** | | |
| ***Guarantee*** | The Contractor's call center shall answer, by a person, one hundred percent (100%) of calls within five (5) minutes or three hundred (300) seconds, as required in Contract Section A.3.k. | |
| **Assessment** | Five hundred dollars ($500) for each second above the threshold during each period on any single day. One Hundred-Fifty-thousand dollar ($150,000) annual maximum. | |
| **Measurement** | The Contractor shall calculate the number of instances during each morning, mid-day, and evening periods (see Contract Section A.3.k.) during which a caller's time-to-answer exceeds this threshold. Based on Contractor's internal telephone support system reports. Measured and reported on a daily basis during the thirty (30) days prior to the go-live date though sixty (60) days after the go-live date, weekly, and monthly. Please note that the monthly report shall include rates for each day as well as averages for days of week, time of day, each week, and each month. | |
| **4. Call Abandonment Rate, refer to Contract Section A.3.k.** | | |
| ***Guarantee*** | Percentage of telephone callers that hang up before speaking to a "live" person will not exceed 5.0%. | |
| **Definition** | Percentage of telephone callers that hang up before speaking to a "live" person. | |
| **Non-compliance amount** | $500.00 for each full percentage point greater than 5% of all calls. Quarterly | |
| **Measurement** | Based on internal automated phone report system measured quarterly. Measured quarterly, reported, and reconciled annually through life of the contract. | |
| **5. Communication, refer to Contract Section A.3.p.** | | |
| ***Guarantee*** | 100% of State approved member information will be distributed prior to annual transfer period (usually Oct. 15 - Nov. 15 or as otherwise revised by the State). | |
| **Definition** | Dental option information necessary for annual transfer period. | |
| **Non-compliance amount** | Should the above standard not be met, the total non-compliant amount shall be $10,000.00 per year in which standard is not met. Measured annually. | |
| **Measurement** | Measured approved and in the mail prior to October 1st, reported, and reconciled annually through life of contract. | |
| **6. Identification Card Distribution, refer to Contract Section A.3.p.** | | |

| | |
|---|---|
| ***Guarantee*** | Member ID cards must be distributed to at least 90% of members prior to December 20th preceding the January 1st start date for each year of the contract. |
| **Definition** | (see above) |
| **Non-compliance amount** | Should the above standard not be met, the total non-compliant amount shall be $2,000.00 per year in which the standard is not met |
| **Measurement** | Measured, reported, and reconciled |
| **7. Member Satisfaction, refer to Contract Section A.3.v.** | |
| ***Guarantee*** | The level of overall customer satisfaction, which is measured annually by a State-approved Member Satisfaction Survey, will be 75% or greater in the first year of the Contract, 80% or greater in the second year, and 80% or greater in the third year. |
| **Definition** | As determined by responses to the following question: "All things considered, how satisfied are you with your current dental health plan services? Completely Satisfied, Very Satisfied, Somewhat Satisfied, Neither Satisfied Nor Dissatisfied, Somewhat Dissatisfied, Very Dissatisfied, Completely Dissatisfied." |
| **Non-compliance amount** | $10,000.00 Annual. |
| **Measurement** | At least 75% of all respondents will indicate Completely, Very, or Somewhat Satisfied (80% in years two and three, respectively). Measured, reported, and reconciled annually through the life of the contract. |
| **8. Weekly Enrollment Update refer to Contract Section A.4.c.(1)** | |
| ***Guarantee*** | All Weekly Enrollment file processing and mismatch deadlines will be met as detailed at A.4.c.(1), Tasks # 1 and # 2. |
| **Definition** | See A.4.c.(1), Tasks # 1 and # 2. |
| **Non-compliance amount** | See A.4.c.(1). $100.00 per day for the first (1st) and second (2nd) working days out of compliance; $500.00 per working day thereafter. |
| **Measurement** | Measured and reported weekly; reconciled annually. |
| **9. State of Tennessee Enrollment Data Match A.4.c.(2)** | |
| ***Guarantee*** | The Contractor shall submit to the State, not to exceed two (2) times annually, via secure medium its full file of State enrollees. |
| **Definition** | To determine the extent to which the Contractor is maintaining its database of State members. |
| **Non-compliance amount** | Failure to submit records in accordance with A.4.c.(2)i. shall result in a Five Thousand Dollar ($5,000.00) amount per request. Failure to resolve the discrepancies within the specified timeframe in accordance with A.4.c.(2)ii. will result in a second Five Thousand Dollar ($5,000.00) amount. |
| **Measurement** | The State will conduct a data match, not to exceed two (2) times annually, against the State's Edison database and identify mismatches (defined as difference of values between the State's and the Contractor's database). |
| **10. Management Reporting, refer to Contract Section A.4.f.** | |
| ***Guarantee*** | All quarterly claims management reports will be delivered by the 30th day subsequent to the end of each reporting period. |
| **Definition** | All quarterly management reports will be delivered by the 30th day subsequent to the end of each reporting period. |
| **Non-compliance amount** | $500.00 for every day that reports are late. |
| **Measurement** | Measured quarterly, reconciled annually through the life of the contract. |

## Member Procedure Code Co-Payment Schedule for Participating General Dentists and Specialist Dentists
## (Reference Contract Sections A.3.a. and C.3.c.)

| | | | 2011 | 2011 | 2012 | 2012 |
|---|---|---|---|---|---|---|
| Code | Procedure Description | Frequency | Proposed Member Cost for Generalist services | Proposed Member Cost for Specialist services | Proposed Member Cost for Generalis t services | Proposed Member Cost for Specialist services |
| 120 | PERIODIC ORAL EVALUATION | 7,301 | $0.00 | $0.00 | $0.00 | $0.00 |
| 140 | LIMITED ORAL EVALUATION-PROBLEM FOCUSED | 141 | $20.00 | $30.00 | $20.00 | $30.00 |
| 150 | COMPREHENSIVE ORAL EVALUATION - new or established parient | 1,156 | $0.00 | $20.00 | $0.00 | $20.00 |
| 210 | INTRAORAL-COMPLETE SERIES INCLUDING BITEWINGS | 750 | $0.00 | $5.00 | $0.00 | $5.00 |
| 220 | INTRAORAL-PERIAPICAL-FIRST FILM | 1,749 | $0.00 | $0.00 | $0.00 | $0.00 |
| 230 | INTRAORAL-PERIAPICAL-EACH ADDITIONAL FILM | 337 | $0.00 | $0.00 | $0.00 | $0.00 |
| 240 | INTRAORAL-OCCLUSAL FILM | 6 | $0.00 | $0.00 | $0.00 | $0.00 |
| 250 | EXTRAORAL-FIRST FILM | 6 | $0.00 | $0.00 | $0.00 | $0.00 |
| 270 | BITEWINGS-SINGLE FILM | 48 | $0.00 | $0.00 | $0.00 | $0.00 |
| 272 | BITEWINGS-TWO FILMS | 1,416 | $0.00 | $0.00 | $0.00 | $0.00 |
| 274 | BITEWINGS-FOUR FILMS | 1,949 | $0.00 | $0.00 | $0.00 | $0.00 |
| 330 | PANORAMIC FILM | 1,035 | $0.00 | $20.00 | $0.00 | $20.00 |
| 340 | CEPHALOMETRIC FILM | 15 | $0.00 | $45.00 | $0.00 | $45.00 |
| 350 | ORAL/FACIAL PHOTOGRAPHIC IMAGES | 43 | $0.00 | $0.00 | $0.00 | $0.00 |
| 460 | PULP VITALITY TESTS | 6 | $0.00 | $0.00 | $0.00 | $0.00 |
| 470 | DIAGNOSTIC CASTS | 41 | $0.00 | $10.00 | $0.00 | $10.00 |
| 1110 | PROPHYLAXIS-ADULT | 6,154 | $0.00 | $0.00 | $0.00 | $0.00 |
| 1120 | PROPHYLAXIS-CHILD | 1,670 | $0.00 | $15.00 | $0.00 | $15.00 |
| 1203 | TOPICAL APPLIC FLUORIDE PXS NOT INCL-CHILD | 1,135 | $0.00 | $0.00 | $0.00 | $0.00 |
| 1204 | TOPICAL APPLIC FLUORIDE PXS NOT INCL-ADULT | 309 | $0.00 | $0.00 | $0.00 | $0.00 |
| 1330 | ORAL HYGIEN INSTRUCTIONS | 1 | $0.00 | $0.00 | $0.00 | $0.00 |
| 1351 | SEALANT-PER TOOTH | 480 | $10.00 | $10.00 | $10.00 | $10.00 |
| 1510 | SPACE MAINTAINER-FIXED-UNILATERAL | 8 | $45.00 | $45.00 | $45.00 | $45.00 |
| 2140 | AMALGAM- ONE SURFACE, PRIMARY OR PERMANENT | 1,056 | $0.00 | $5.00 | $0.00 | $5.00 |
| 2150 | AMALGAM-TWO SURFACES, PRIMARY OR PERMANENT | 932 | $8.00 | $10.00 | $8.00 | $10.00 |
| 2160 | AMALGAM-THREE SURFACES, PRIMARY OR PERMANENT | 375 | $18.00 | $20.00 | $18.00 | $20.00 |
| 2161 | AMALGAM-FOUR OR MORE SURFACES, PRIMARYPERMANENT | 50 | $22.00 | $22.00 | $22.00 | $22.00 |
| 2330 | RESIN-ONE SURFACE, ANTERIOR | 399 | $25.00 | $25.00 | $25.00 | $25.00 |
| 2331 | RESIN-TWO SURFACES, ANTERIOR | 287 | $35.00 | $35.00 | $35.00 | $35.00 |
| 2332 | RESIN-THREE SURFACES, ANTERIOR | 175 | $45.00 | $45.00 | $45.00 | $45.00 |
| 2335 | RESIN-FOUR+ SURF OR INVL INCISAL ANGLE(ANTERIOR) | 78 | $55.00 | $55.00 | $55.00 | $55.00 |
| 2391 | RESIN-BASED COMPOSIT-ONE SURFACE, POSTERIOR | 602 | $55.00 | $60.00 | $55.00 | $60.00 |
| 2392 | RESIN-BASED COMPOSIT-TWO SURFACE, POSTERIOR | 324 | $70.00 | $75.00 | $70.00 | $75.00 |
| 2393 | RESIN-BASED COMPOSIT-THREE SURFACE, POSTERIOR | 112 | $90.00 | $95.00 | $90.00 | $95.00 |
| 2394 | RESIN-BASED COMPOSIT-FOUR OR MORE SURFACE, | 16 | $105.00 | $105.00 | $105.00 | $105.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | POSTERIOR | | | | | |
| 2530 | INLAY-METALLIC-THREE OR MORE SURFACES | 6 | $125.00 | $125.00 | $125.00 | $125.00 |
| 2740 | CROWN-PORCELAIN/CERAMIC SUBSTRATE | 18 | $275.00 | $275.00 | $275.00 | $275.00 |
| 2750 | CROWN-PORCELAIN FUSED TO HIGH NOBLE METAL | 203 | $275.00 | $275.00 | $275.00 | $275.00 |
| 2751 | CROWN-PORC FUSED TO PREDOMINANTLY BASE METAL | 236 | $275.00 | $275.00 | $275.00 | $275.00 |
| 2752 | CROWN-PORCELAIN FUSED TO NOBLE METAL | 64 | $275.00 | $275.00 | $275.00 | $275.00 |
| 2790 | CROWN-FULL CAST HIGH NOBLE METAL | 293 | $255.00 | $255.00 | $255.00 | $255.00 |
| 2791 | CROWN-FULL CAST PREDOMINANTLY BASE METAL | 32 | $255.00 | $255.00 | $255.00 | $255.00 |
| 2792 | CROWN-FULL CAST NOBLE METAL | 76 | $255.00 | $255.00 | $255.00 | $255.00 |
| 2792 | PROVISIONAL CROWN | 76 | $255.00 | $255.00 | $255.00 | $255.00 |
| 2910 | RECEMENT INLAY | 6 | $15.00 | $15.00 | $15.00 | $15.00 |
| 2920 | RECEMENT CROWN | 129 | $15.00 | $15.00 | $15.00 | $15.00 |
| 2930 | PREFABRICATED STAINLESS STEEL CROWN-PRIMARY | 59 | $65.00 | $80.00 | $65.00 | $80.00 |
| 2931 | PREFABRICATED STAINLESS STEEL CROWN-PERMANENT | 7 | $65.00 | $65.00 | $65.00 | $65.00 |
| 2940 | SEDATIVE FILLING | 63 | $3.00 | $3.00 | $3.00 | $3.00 |
| 2950 | CORE BUILD-UP, INCLUDING ANY PINS | 191 | $75.00 | $75.00 | $75.00 | $75.00 |
| 2951 | PIN RETENTION/TOOTH, IN ADDITION TO RESTORATION | 14 | $10.00 | $10.00 | $10.00 | $10.00 |
| 2952 | CAST POST AND CORE IN ADDITION TO CROWN | 32 | $75.00 | $75.00 | $75.00 | $75.00 |
| 2954 | PREFABRICATED POST AND CORE IN ADDITION TO CROWN | 72 | $75.00 | $75.00 | $75.00 | $75.00 |
| 2960 | LABIAL VENEER (LAMINATE)-CHAIRSIDE | 7 | $200.00 | $200.00 | $200.00 | $200.00 |
| 2962 | LABIAL VENEER (PORCELAIN LAMINATE)-LABORATORY | 13 | $300.00 | $300.00 | $300.00 | $300.00 |
| 3110 | PULP CAP-DIRECT (EXCLUDING FINAL RESTORATION) | 51 | $0.00 | $0.00 | $0.00 | $0.00 |
| 3120 | PULP CAP-INDIRECT (EXCLUDING FINAL RESTORATION) | 33 | $0.00 | $0.00 | $0.00 | $0.00 |
| 3220 | THERAPEUTIC PULPOTOMY (EXCLUDING FINAL REST) | 73 | $20.00 | $40.00 | $20.00 | $40.00 |
| 3310 | ROOT CANAL-ANTERIOR(EXCLUDING FINAL RESTORATION) | 64 | $125.00 | $300.00 | $125.00 | $300.00 |
| 3320 | ROOT CANAL-BICUSPID(EXCLUDING FINAL RESTORATION) | 100 | $200.00 | $425.00 | $200.00 | $425.00 |
| 3330 | ROOT CANAL-MOLAR (EXCLUDING FINAL RESTORATION) | 194 | $250.00 | $600.00 | $250.00 | $600.00 |
| 3410 | APICOECTOMY/PERIRADICULAR SURGERY- ANTERIOR | 10 | $50.00 | $75.00 | $50.00 | $75.00 |
| 4210 | GINGIVECTOMY OR GINGIVOPLASTY-PER QUADRANT | 11 | $90.00 | $90.00 | $90.00 | $90.00 |
| 4211 | GINGIVECTOMY OR GINGIVOPLASTY-PER TOOTH | 7 | $50.00 | $50.00 | $50.00 | $50.00 |
| 4240 | GINGIVAL FLAP PROCEDURE INCLUDING ROOT PLANING per quadrant | 1 | $240.00 | $240.00 | $240.00 | $240.00 |
| 4241 | GINGIVAL FLAP PROCEDURE INCLUDING ROOT PLANING per tooth | 1 | $100.00 | $100.00 | $100.00 | $100.00 |
| 4260 | OSSEOUS SURGERY INC FLAP ENTRY/CLOSURE/QUAD | 39 | $300.00 | $300.00 | $300.00 | $300.00 |
| 4271 | FREE SOFT TISS GRAFT PROC(INCL DONOR SITE SURG) | 17 | $300.00 | $300.00 | $300.00 | $300.00 |
| 4341 | PERIO SCALING AND ROOT PLANING-PER QUADRANT | 448 | $60.00 | $100.00 | $60.00 | $100.00 |
| 4910 | PERIO MAINTENANCE PROC FOLLOWING ACTIVE THERAPY | 381 | $45.00 | $45.00 | $45.00 | $45.00 |
| 5110 | COMPLETE DENTURE-MAXILLARY | 15 | $310.00 | $310.00 | $310.00 | $310.00 |
| 5120 | COMPLETE DENTURE-MANDIBULAR | 6 | $310.00 | $310.00 | $310.00 | $310.00 |
| 5130 | IMMEDIATE DENTURE-MAXILLARY | 11 | $365.00 | $365.00 | $365.00 | $365.00 |
| 5140 | IMMEDIATE DENTURE-MANDIBULAR | 8 | $365.00 | $365.00 | $365.00 | $365.00 |
| 5211 | MAXILLARY PART DENTURE-RESIN BASE(CLASP/RESTS) | 6 | $310.00 | $310.00 | $310.00 | $310.00 |
| 5213 | MAXILLARY PART DENTURE-METAL FRAME W/RESIN BASE | 33 | $350.00 | $350.00 | $350.00 | $350.00 |
| 5214 | MANDIBULAR PART DENTURE-METAL FRAME W/RESIN BASE | 37 | $350.00 | $350.00 | $350.00 | $350.00 |
| 5510 | REPAIR BROKEN COMPLETE DENTURE BASE | 7 | $25.00 | $25.00 | $25.00 | $25.00 |
| 5520 | REPLACE MISS/BRKN TEETH-COMPLETE DENTURE/TOOTH | 14 | $40.00 | $40.00 | $40.00 | $40.00 |
| 5610 | REPAIR RESIN DENTURE BASE | 10 | $35.00 | $35.00 | $35.00 | $35.00 |
| 5630 | REPAIR OR REPLACE BROKEN CLASP, PARTIAL DENTURE | 9 | $35.00 | $35.00 | $35.00 | $35.00 |
| 5640 | REPLACE BROKEN TEETH-PER TOOTH, PARTIAL DENTURE | 20 | $35.00 | $35.00 | $35.00 | $35.00 |

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|---|---|---|---|---|---|---|
| 5650 | ADD TOOTH TO EXISTING PARTIAL DENTURE | 31 | $35.00 | $35.00 | $35.00 | $35.00 |
| 5660 | ADD CLASP TO EXISTING PARTIAL DENTURE | 7 | $30.00 | $30.00 | $30.00 | $30.00 |
| 5750 | RELINE COMPLETE MAXILLARY DENTURE (LABORATORY) | 9 | $95.00 | $95.00 | $95.00 | $95.00 |
| 6240 | PONTIC-PORCELAIN FUSED TO HIGH NOBLE METAL | 18 | $275.00 | $275.00 | $275.00 | $275.00 |
| 6241 | PONTIC-PORCELAIN FUSED TO PREDOM. BASE METAL | 23 | $275.00 | $275.00 | $275.00 | $275.00 |
| 6242 | PONTIC-PORCELAIN FUSED TO NOBLE METAL | 6 | $275.00 | $275.00 | $275.00 | $275.00 |
| 6750 | CROWN-RETAINER-PORCELAIN FUSED HIGH NOBLE METAL | 36 | $275.00 | $275.00 | $275.00 | $275.00 |
| 6751 | CROWN-RETAINER-PORCELAIN FUSED PRED. BASE METAL | 48 | $275.00 | $275.00 | $275.00 | $275.00 |
| 6752 | CROWN-RETAINER-PORCELAIN FUSED TO NOBLE METAL | 12 | $275.00 | $275.00 | $275.00 | $275.00 |
| 6930 | RECEMENT FIXED PARTIAL DENTURE | 24 | $15.00 | $15.00 | $15.00 | $15.00 |
| 7140 | EXTRACTION, ERUPTED TOOTH/EXPOSED ROOT-elevation/forceps | 759 | $15.00 | $70.00 | $15.00 | $70.00 |
| 7210 | SURG REM ERUP TOOTH REQ FLAP/BONE REM/SEC TOOTH | 251 | $55.00 | $55.00 | $55.00 | $55.00 |
| 7220 | REMOVAL OF IMPACTED TOOTH-SOFT TISSUE | 39 | $65.00 | $65.00 | $65.00 | $65.00 |
| 7230 | REMOVAL OF IMPACTED TOOTH-PARTIAL BONY | 145 | $75.00 | $75.00 | $75.00 | $75.00 |
| 7240 | REMOVAL OF IMPACTED TOOTH-COMPLETE BONY | 139 | $100.00 | $120.00 | $100.00 | $120.00 |
| 7241 | REM IMPAC. TOOTH-COMP BONY/UNUSUAL COMPLICATIONS | 15 | $125.00 | $140.00 | $125.00 | $140.00 |
| 7250 | SURG REM OF RESIDUAL TOOTH ROOTS (CUTTING PROC) | 13 | $40.00 | $40.00 | $40.00 | $40.00 |
| 7310 | ALVEOLOPLASTY IN CONJUNC WITH EXTS-PER QUAD | 15 | $40.00 | $60.00 | $40.00 | $60.00 |
| 7510 | I & D ABSCESS INTRAORAL-SOFT TISSUE | 7 | $25.00 | $35.00 | $25.00 | $35.00 |
| 7960 | FRENULECTOMY (FRENECTOMY/FRENOTOMY) SEP. PROC. | 6 | $50.00 | $60.00 | $50.00 | $60.00 |
| 9110 | PALLIATIVE (ER) TX-DENTAL PAIN-MINOR PROCEDURE | 133 | $25.00 | $25.00 | $25.00 | $25.00 |
| 9210 | LOCAL ANESTHESIA NOT IN CONJUNC W/OPERATIVE | 7 | $0.00 | $0.00 | $0.00 | $0.00 |
| 9215 | LOCAL ANESTHESIA | 1 | $0.00 | $0.00 | $0.00 | $0.00 |
| 9220 | GENERAL ANESTHESIA-FIRST 30 MINUTES | 73 | $0.00 | $40.00 | $0.00 | $40.00 |
| 9230 | ANALGESIA,ANXIOLYSIS, INHALATION NITROUS OXIDE | 202 | $15.00 | $15.00 | $15.00 | $15.00 |
| 9241 | INTRAVENOUS CONSCIOUS SEDATION-FIRST 30 MINUTES | 185 | $0.00 | $30.00 | $0.00 | $30.00 |
| 9242 | INTRAVENOUS CONSCIOUS SEDATION-FIRST EACH 15 MINUTES | 47 | $0.00 | $20.00 | $0.00 | $20.00 |
| 9310 | PROF CONSULT (DIAG SERV BY OTHER DENTIST/PHYS) | 58 | $25.00 | $45.00 | $25.00 | $45.00 |
| 9430 | OFFICE VISIT FOR OBSERVATION (REGUALAR HOURS) | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 9440 | OFFICE VISIT -AFTER REGULARLY SCHEDULED HOURS | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 9910 | APPLICATION-DESENSITIZING MEDICAMENT | 61 | $18.00 | $18.00 | $18.00 | $18.00 |
| 9951 | OCCLUSION ADJUSTMENT-LIMITED | 19 | $30.00 | $30.00 | $30.00 | $30.00 |
| 9952 | OCCLUSION ADJUSTMENT-COMPLETE | 5 | $150.00 | $150.00 | $150.00 | $150.00 |
| 9972 | EXTERNAL BLEACHING - PER ARCH | 1 | $150.00 | $150.00 | $150.00 | $150.00 |
| 9973 | EXTERNAL BLEACHING - PER TOOTH | 1 | $30.00 | $30.00 | $30.00 | $30.00 |
| 1550 | RECEMENTATION OF SPACE MAINTAINER | 4 | $15.00 | $15.00 | $15.00 | $15.00 |
| 5410 | ADJUST COMPLETE DENTURE-MAXILLARY | 4 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5730 | RELINE COMPLETE MAXILLARY DENTURE (CHAIRSIDE) | 4 | $60.00 | $60.00 | $60.00 | $60.00 |
| 5751 | RELINE COMPLETE MANDIBULAR DENTURE (LAB) | 4 | $95.00 | $95.00 | $95.00 | $95.00 |
| 6790 | CROWN-RETAINER-FULL CAST HIGH NOBLE METAL | 4 | $255.00 | $255.00 | $255.00 | $255.00 |
| 6791 | CROWN-RETAINER-FULL CAST PREDOM. BASE METAL | 4 | $255.00 | $255.00 | $255.00 | $255.00 |
| 9221 | GENERAL ANESTHESIA-EACH ADDITIONAL 15 MINUTES | 4 | $168.00 | $168.00 | $168.00 | $168.00 |
| 5212 | MANDIBULAR PART DENTURE-RESIN BASE(CLASP/RESTS) | 3 | $295.00 | $295.00 | $295.00 | $295.00 |
| 5411 | ADJUST COMPLETE DENTURE-MANDIBULAR | 3 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5620 | REPAIR CAST FRAMEWORK, PARTIAL DENTURE | 3 | $35.00 | $35.00 | $35.00 | $35.00 |
| 5741 | RELINE MANDIBULAR PARTIAL DENTURE (CHAIRSIDE) | 3 | $60.00 | $60.00 | $60.00 | $60.00 |
| 5760 | RELINE MAXILLARY PARTIAL DENTURE (LABORATORY) | 3 | $95.00 | $95.00 | $95.00 | $95.00 |
| 5761 | RELINE MANDIBULAR PARTIAL DENTURE (LABORATORY) | 3 | $95.00 | $95.00 | $95.00 | $95.00 |

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|---|---|---|---|---|---|---|
| 1515 | SPACE MAINTAINER-FIXED-BILATERAL | 2 | $45.00 | $45.00 | $45.00 | $45.00 |
| 2520 | INLAY-METALLIC-TWO SURFACES | 2 | $100.00 | $100.00 | $100.00 | $100.00 |
| 6210 | PONTIC-CAST HIGH NOBLE METAL | 2 | $255.00 | $255.00 | $255.00 | $255.00 |
| 6792 | CROWN-RETAINER-FULL CAST NOBLE METAL | 2 | $255.00 | $255.00 | $255.00 | $255.00 |
| 5720 | REBASE MAXILLARY PARTIAL DENTURE | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5721 | REBASE MANDIBULAR PARTIAL DENTURE | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5740 | RELINE MAXILLARY PARTIAL DENTURE (CHAIRSIDE) | 1 | $60.00 | $60.00 | $60.00 | $60.00 |
| 6211 | PONTIC-CAST PREDOMINANTLY BASE METAL | 1 | $255.00 | $255.00 | $255.00 | $255.00 |
| 1520 | SPACE MAINTAINER-REMOVABLE-UNILATERAL | 1 | $85.00 | $85.00 | $85.00 | $85.00 |
| 1525 | SPACE MAINTAINER-REMOVABLE-BILATERAL | 1 | $85.00 | $85.00 | $85.00 | $85.00 |
| 2510 | INLAY-METALLIC-ONE SURFACE | 1 | $90.00 | $90.00 | $90.00 | $90.00 |
| 5421 | ADJUST PARTIAL DENTURE-MAXILLARY | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5422 | ADJUST PARTIAL DENTURE-MANDIBULAR | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5710 | REBASE COMPLETE MAXILLARY DENTURE | 1 | $95.00 | $95.00 | $95.00 | $95.00 |
| 5711 | REBASE COMPLETE MANDIBULAR DENTURE | 1 | $10.00 | $10.00 | $10.00 | $10.00 |
| 5731 | RELINE COMPLETE MANDIBULAR DENTURE (CHAIRSIDE) | 1 | $60.00 | $60.00 | $60.00 | $60.00 |
| 6212 | PONTIC-CAST NOBLE METAL | 1 | $255.00 | $255.00 | $255.00 | $255.00 |

**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 State's system generated number to identify a head of contract will be used in Loop 2000, REF0F02.
The Relationship of '38' denotes a Child claimed on Income Tax (CT) or Child Intended to be claimed on Income Tax (CI). A dependent with a Relationship of '38' and a "F" in INS09 is not a Student. All other dependents with a "F" in INS09 are students.

The REF03, REF04, HD06 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:"

| FIELDNAME | BN_834_FIELD_VALUE | EFFDT | BN_834_FLD_DESCR1 | BN_834_FIELD_MAPPD | BN_834_FLD_DESCR2 | DATA_TYPE_CD | DEFAU_EDI_C |
|---|---|---|---|---|---|---|---|
| COBRA_EVENT_CLASS | RED | 1/1/1900 0:00 | Reduction in Hours | 2 | Reduction of work hours | Y | N |
| COBRA_EVENT_CLASS | OVG | 1/1/1900 0:00 | Overage | 7 | Ineligible Child | Y | N |
| COBRA_EVENT_CLASS | MIL | 1/1/1900 0:00 | Military Leave | 1 | Termination of Employment | Y | N |
| COBRA_EVENT_CLASS | MED | 1/1/1900 0:00 | Medicare Entitlement | 3 | Medicare | Y | N |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| COBRA_EVENT_CLASS | RET | 1/1/1900 0:00 | Retired | 1 | Termination of Employment | Y | N |
| COBRA_EVENT_CLASS | DEP | 1/1/1900 0:00 | Married Dependent | 7 | Ineligible Child | Y | N |
| COBRA_EVENT_CLASS | DEA | 1/1/1900 0:00 | Death | 4 | Death | Y | N |
| COBRA_EVENT_CLASS | GMC | 1/1/1901 0:00 | Gross Misconduct -Not Eligible | 1 | Termination of employment | N | N |
| COBRA_EVENT_CLASS | TER | 1/1/1900 0:00 | Termination | 1 | Termination of Employment | Y | N |
| COBRA_EVENT_CLASS | DIV | 1/1/1900 0:00 | Divorce | 5 | Divorce | Y | N |
| COVRG_CD | C | 1/1/1901 0:00 | Employee plus 1 | E1D | Employee and One Dependent | N | N |
| COVRG_CD | 7 | 1/1/1900 0:00 | Dom Partner Adult+Child (ren) | E6D | Employee and Two or More Dependents | Y | N |
| COVRG_CD | 6 | 1/1/1900 0:00 | Domestic Partner Child (ren) | E5D | Employee and One or More Dependents | Y | N |
| COVRG_CD | 5 | 1/1/1900 0:00 | Domestic Partner Adult | E1D | Employee and One Dependent | Y | N |
| COVRG_CD | 4 | 1/1/1900 0:00 | Family | E6D | Employee and Two or More Dependents | Y | N |
| COVRG_CD | 3 | 1/1/1900 0:00 | Employee + Dependents | E5D | Employee and One or More Dependents | Y | N |
| COVRG_CD | 2 | 1/1/1900 0:00 | Employee + Spouse | ESP | Employee and Spouse | Y | N |
| COVRG_CD | 1 | 1/1/1900 0:00 | Employee Only | EMP | Employee Only | Y | N |
| COVRG_CD | G | 1/1/1901 0:00 | Employee plus 2 | E2D | Employee plus two dependents | N | N |
| COVRG_CD | F | 1/1/1901 0:00 | 2 Dependent Coverage | TWO | 2 Dependent Coverage | N | N |
| COVRG_CD | H | 1/1/1901 0:00 | Generic Coverage Code | EHD | Generic coverage code for all Family Members | N | N |
| COVRG_CD | I | 1/1/1901 0:00 | Multiple Dependents Only | DEP | Multiple Dependents Only | N | N |
| COVRG_CD | J | 1/1/1901 0:00 | Head of Contract and Children | ECH | Head of Contract and Children | 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 | Single | EMP | Employee Only | N | N |

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

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| PLAN_TYPE | 1X | 1/1/1901 0:00 | Wellness | WELL | Wellness | N | Y |
| PLAN_TYPE | 1Z | 1/1/1901 0:00 | Mental Health Substance Abuse | AK | Mental Health Substance Abuse | N | Y |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | HLT | Health | Y | Y |
| PLAN_TYPE | 11 | 1/1/1900 0:00 | Dental | DEN | Dental | Y | Y |
| PLAN_TYPE | 12 | 1/1/1900 0:00 | Medical/Dental | HLT | Health | Y | Y |
| PLAN_TYPE | 13 | 1/1/1900 0:00 | Major Medical | MM | Major Medical | Y | Y |
| PLAN_TYPE | 14 | 1/1/1900 0:00 | Vision | VIS | Vision | Y | Y |
| PLAN_TYPE | 15 | 1/1/1900 0:00 | Domestic Partner Medical | HLT | Health | Y | Y |
| PLAN_TYPE | 16 | 1/1/1900 0:00 | Domestic Partner Dental | DEN | Dental | Y | Y |
| PLAN_TYPE | 17 | 1/1/1900 0:00 | Domestic Partner Vision | VIS | Vision | Y | Y |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | AG | Preventive Care/Wellness | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | EPO | Exclusive Provider Org (EPO) | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | FAC | Facility | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | HE | Hearing | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | HMO | Health Maintenance Org (HMO) | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | MOD | Mail Order Drug | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | PDG | Prescription Drug | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | POS | Point of Service (POS) | Y | N |
| PLAN_TYPE | 10 | 1/1/1900 0:00 | Medical | PPO | Preferred Provider Org (PPO) | Y | N |
| PLAN_TYPE | 11 | 1/1/1900 0:00 | Dental | DCP | Dental Capitation (DMO) | Y | N |
| PLAN_TYPE | 12 | 1/1/1900 0:00 | Medical/Dental | AG | Preventive Care/Wellness | Y | N |
| PLAN_TYPE | 12 | 1/1/1900 | Medical/Dental | DEN | Dental | Y | N |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | 0:00 1/1/1900 | | | | | |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | EPO | Exclusive Provider Org (EPO) | Y | N |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | FAC | Facility | Y | N |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | HMO | Health Maintenance Org (HMO) | Y | N |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | MOD | Mail Order Drug | Y | N |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | PDG | Prescription Drug | Y | N |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | POS | Point Of Service (POS) | Y | N |
| PLAN_TYPE | 12 | 0:00 1/1/1900 | Medical/Dental | PPO | Preferred Provider Org (PPO) | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | AG | Preventive Care/Wellness | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | EPO | Exclusive Provider Org (EPO) | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | FAC | Facility | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | HE | Hearing | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | HMO | Health Maintenance Org (HMO) | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | MOD | Mail Order Drug | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | PDG | Prescription Drug | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | POS | Point Of Service (POS) | Y | N |
| PLAN_TYPE | 15 | 0:00 1/1/1900 | Domestic Partner Medical | PPO | Preferred Provider Org (PPO) | Y | N |
| PLAN_TYPE | 16 | 0:00 1/1/1901 | Domestic Partner Dental | DCP | Dental Capitation (DMO) | Y | N |
| PLAN_TYPE | 1V | 0:00 1/1/1901 | Medicare Supplement | SUP | Medicare Supplement | N | Y |
| PLAN_TYPE | 1Y | 0:00 1/1/1901 | Employee Assistance Program | AG | Employee Assistance Program | N | Y |
| RELATIONSHIP | CN | 0:00 1/1/1901 | Natural Child | 19 | Child | N | N |
| RELATIONSHIP | CS | 0:00 | Step Child | 19 | Child | N | N |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| RELATIONSHIP | A | 1/1/1900 0:00 | Aunt | 06 | Uncle or Aunt | Y | N |
| RELATIONSHIP | B | 1/1/1900 0:00 | Brother | 14 | Brother or Sister | Y | N |
| RELATIONSHIP | D | 1/1/1900 0:00 | Daughter | 19 | Child | Y | N |
| RELATIONSHIP | E | 1/1/1900 0:00 | Employee | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | FA | 1/1/1900 0:00 | Father | 03 | Father or Mother | Y | N |
| RELATIONSHIP | FI | 1/1/1900 0:00 | Father-in-Law | 13 | Mother-in-law or Father-in-law | Y | N |
| RELATIONSHIP | FR | 1/1/1900 0:00 | Friend | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | GC | 1/1/1900 0:00 | Grandchild | 05 | Grandson or Granddaughter | Y | N |
| RELATIONSHIP | GF | 1/1/1900 0:00 | Grandfather | 04 | Grandfather or Grandmother | Y | N |
| RELATIONSHIP | GM | 1/1/1900 0:00 | Grandmother | 04 | Grandfather or Grandmother | Y | N |
| RELATIONSHIP | M | 1/1/1900 0:00 | Mother | 03 | Father or Mother | Y | N |
| RELATIONSHIP | MI | 1/1/1900 0:00 | Mother-in-Law | 13 | Mother-in-law or Father-in-law | Y | N |
| RELATIONSHIP | N | 1/1/1900 0:00 | Neighbor | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | NA | 1/1/1900 0:00 | Domestic Partner Adult | 53 | Life Partner | Y | N |
| RELATIONSHIP | ND | 1/1/1900 0:00 | Domestic Partner Daughter | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | NE | 1/1/1900 0:00 | Nephew | 07 | Nephew or Niece | Y | N |
| RELATIONSHIP | NI | 1/1/1900 0:00 | Niece | 07 | Nephew or Niece | Y | N |
| RELATIONSHIP | NS | 1/1/1900 0:00 | Domestic Partner Son | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | O | 1/1/1900 0:00 | Other | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | R | 1/1/1900 0:00 | Other Relative | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | RO | 1/1/1900 0:00 | Roommate | 38 | Collateral Dependent | Y | N |
| RELATIONSHIP | S | 1/1/1900 | Son | 19 | Child | Y | N |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | 0:00 1/1/1900 | | | | | |
| RELATIONSHIP | SI | 0:00 1/1/1900 | Sister | 14 | Brother or Sister | Y | N |
| RELATIONSHIP | SP | 0:00 1/1/1900 | Spouse | 01 | Spouse | Y | N |
| RELATIONSHIP | T | 0:00 1/1/1900 | Estate | 31 | Court Appointed Guardian | Y | N |
| RELATIONSHIP | U | 0:00 1/1/1900 | Uncle | 06 | Uncle or Aunt | Y | N |
| RELATIONSHIP | X | 0:00 1/1/1900 | ExSpouse | 25 | Ex-spouse | Y | N |
| RELATIONSHIP | XC | 0:00 1/1/1900 | Recognized Child | 19 | Child | Y | N |
| RELATIONSHIP | XD | 0:00 1/1/1900 | Foster Daughter | 10 | Foster Child | Y | N |
| RELATIONSHIP | XS | 0:00 1/1/1901 | Foster Son | 10 | Foster Child | Y | N |
| RELATIONSHIP | CI | 0:00 1/1/1901 | Child Intended to be Claimed | 38 | Child | N | N |
| RELATIONSHIP | CT | 0:00 1/1/1901 | Child claimed on income tax | 38 | Child | N | N |
| RELATIONSHIP | CG | 0:00 1/1/1901 | Grandchild | 05 | Grandson or Granddaughter | N | N |
| RELATIONSHIP | CL | 0:00 1/1/1901 | Legal Guardian | 19 | Child | N | N |
| RELATIONSHIP | SD | 0:00 1/1/1900 | Special Decision | 19 | Child | N | N |
| SMOKER | Y | 0:00 1/1/1900 | Smoker - Yes | T | Tobacco Use | Y | N |
| SMOKER | N | 0:00 1/1/1900 | Smoker - No | U | Unknown | Y | N |
| TIMEZONE | ADT | 0:00 1/1/1900 | DST Atlantic Time (Canada) | TD | Atlantic Daylight Time | Y | N |
| TIMEZONE | WEST | 0:00 1/1/1900 | West Europe Time, Berlin, Rome, Paris | 01 | Equivalent to ISO P01 | Y | N |
| TIMEZONE | AKDT | 0:00 1/1/1900 | DST Alaska Time | AD | Alaska Daylight Time | Y | N |
| TIMEZONE | AKST | 0:00 1/1/1900 | Alaska Time | AS | Alaska Standard Time | Y | N |
| TIMEZONE | ARST | 0:00 1/1/1900 | Arabian Time, Abu Dhabi, Muscat | 04 | Equivalent to ISO P04 | Y | N |
| TIMEZONE | AST | 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 | India Time, Bombay, | 05 | Equivalent to ISO P05 | Y | N |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | 0:00 | Calcutta, New Delhi | | | | |
| 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 |
| FIR | 1/1/1901 | Full Time Irregular Officer Cd | FIR Full Time Irregular Officer Cd | Edison Benefit Program Code and Description | Y | 2000 |
| FML | 1/1/1901 | FML Benefits Billing | FML FML Benefits Billing | Edison Benefit Program Code and Description | Y | 2000 |
| 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 |
| 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 |
| 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 |
| HED | 1/1/1901 | Higher Education | HED Higher Education | Edison Benefit Program Code and Description | Y | 2000 |
| MSC | 1/1/1901 | Limited Term (i.e. Legislators) | MSC Limited Term (i.e. Legislators) | Edison Benefit Program Code and Description | Y | 2000 |
| OLA | 1/1/1901 | Offline Actives | OLA Offline Actives | Edison Benefit Program Code and Description | Y | 2000 |
| OLC | 1/1/1901 | Offline Closed | OLC Offline Closed | Edison Benefit Program Code and Description | Y | 2000 |
| PAR | 1/1/1901 | Part Time Non-1450 Hours | PAR Part Time Non-1450 Hours | Edison Benefit Program Code and Description | Y | 2000 |
| PTN | 1/1/1901 | Local Education 25 Hours | PTN Local Education 25 Hours | Edison Benefit Program Code and Description | Y | 2000 |
| PTP | 1/1/1901 | Part Time 1450 Hours | PTP Part Time 1450 Hours | Edison Benefit Program Code and Description | Y | 2000 |
| RCS | 1/1/1901 | Retiree Central State | RCS Retiree Central State | Edison Benefit Program Code and Description | Y | 2000 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 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 |
| 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 |
| 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 |
| RGF | 1/1/1901 | Retiree Grandfathered | RGF Retiree Grandfathered | Edison Benefit Program Code and Description | Y | 2000 |
| RSS | 1/1/1901 | Loc Ed Retiree Support Staff | RSS Loc Ed Retiree Support Staff | Edison Benefit Program Code and Description | Y | 2000 |
| RTE | 1/1/1901 | Loc Ed Retiree Teacher | RTE Loc Ed Retiree Teacher | Edison Benefit Program Code and Description | Y | 2000 |
| SUR | 1/2/1901 | Survivor Benefit Program | SUR Survivor Benefit Program | Edison Benefit Program Code and Description | Y | 2000 |
| TEA | 1/1/1901 | Local Education | TEA Local Education | Edison Benefit Program Code and Description | Y | 2000 |
| WCP | 1/1/1901 | Worker's Compensation | WCP Worker's Compensation | Edison Benefit Program Code and Description | Y | 2000 |
| Variable Date | 1/1/1901 | Coverage Level Effective Date | Variable Date | Coverage Level Effective Date - Employee Records Only | Y | 2300 |
| Y | 1/1/1901 | Payment Indicator | Y | Payment Indicator | Y | 2300 |
| N | 1/1/1901 | Payment Indicator | N | Payment Indicator | Y | 2300 |
| Range 01000 thru 99929 | 1/1/1901 | Budget Code | Range 01000 thru 99929 | Budget Code | Y | 2000 |

**Contract Attachment E**
**Quarterly Management Reporting Requirements**

As required by Contract Section A.5.a., the Contractor shall submit Management Reports by which the State can assess the Prepaid Dental Plan program costs and usage, as well as results in meeting the Liquidated Damages requirements as contained in Attachment B. Reports shall be submitted in hard copy medium and shall include:

1) Performance Tracking, **as detailed at Contract Attachment B (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) **Summary Plan Information:**

| Premium Level | Subscribers | Premium | Capitation | Claims Paid* |
|---|---|---|---|---|
| Employee | | | | |
| Employee + Spouse | | | | |
| Employee + Child(ren) | | | | |
| Employee + Spouse + Child(ren) | | | | |
| Total | | | | |

*** Supplement Payments to Specialists**

3) **Quarterly Network Changes Update Report, displaying the following:**

   - Present Network of Participating Providers by Specialty
   - Additions to the Network by Name, Specialty and Location
   - Terminations to the Network by Name, Specialty and Location
   - Targeted areas for recruitment

## FA CONTRACT INFORMATION SUPPLEMENT

FOR ALL FA-TYPE CONTRACTS — COMPLETE EITHER SECTION A OR SECTION B

| | |
|---|---|
| **Contract RFS #** | 31786 - 00109 |
| **Contractor:** | Union Security Insurance Company |

| **SECTION A— CONTRACTOR IS AN INDIVIDUAL** | **SECTION B— CONTRACTOR IS A COMPANY** (*e.g.*, sole proprietorship, partnership, or corporation) |
|---|---|
| **Is or has the contractor been a state employee?**<br>☐ **NO** *(no additional information required)*<br>☐ **YES** | **Does an individual, who is or has been a state employee, own controlling interest in (or own) the contractor company?**<br>☑ **NO** *(no additional information required)*<br>☐ **YES** |
| **Was such employment within the past six months?**<br>☐ **NO**<br>☐ **YES** *(an approved rule exception permitting a contract within six months of employment is also required)* | **Was such employment within the past six months?**<br>☐ **NO**<br>☐ **YES** *(an approved rule exception permitting a contract within six months of employment is also required)* |
| **Does the contractor receive Tennessee Consolidated Retirement System (TCRS) retirement benefits?**<br>☐ **NO**<br>☐ **YES** *(the procuring agency general counsel MUST sign an analysis of this procurement using the TCRS analysis guidelines)* | **Does the individual who owns controlling interest in the contractor company receive Tennessee Consolidated Retirement System (TCRS) retirement benefits?**<br>☑ **NO**<br>☐ **YES** *(the procuring agency general counsel MUST sign an analysis of this procurement using the TCRS analysis guidelines)* |

**CONTRACTOR SIGNATURE** Kimberly K. Reese

**CONTRACTOR** UNION SECURITY INSURANCE COMPANY **DATE** 07-19-10