



Office of Finance
62 South Dunlap Street
Memphis, TN 38163
T (901) 448-5523
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Memphis
Knoxville
Chattanooga
Nashville

May 29, 2019

Ms. Krista Lee
Executive Director
Fiscal Review Committee
320 Sixth Avenue, North-8th Floor
Nashville, TN 37243-0057

Dear Ms. Lee,

The University of Tennessee Health Science Center is submitting for the committee's review an amendment (Amendment #1) to the contract with Unum for the purpose of increasing the University's maximum from \$4,000,000 to \$7,000,000 and to extend the end date through June 30, 2026.

In 2014, the University conducted a competitive bid process for the Medical Resident Disability Insurance. The bid committee selected Unum as the new provider effective July 1, 2014. As that 5-year contract is about to expire, the Health Science Center initiated a new bid for Medical Resident Disability Insurance earlier this year and selected Ohio Insurance Company as the new provide for disability insurance. However, in order to provide continuity, it is necessary to extend the Unum contract for those residents who have been covered under this program for the past several years (residency programs can last between three and seven years depending on the medical discipline of the resident). All new residents will be provided disability insurance through the new provider.

Funding for this contract is directly from payroll deductions from medical resident payroll. There is no incremental cost to the Health Science Center for this insurance. Further, the actual expenditure is strictly dependent on the benefit choices made by the medical residents. We have based our estimates on historical data.

I hope this letter and the attached documents adequately present the justification for this contract. As always, please let me know if you have questions or need additional information.

Sincerely,

Anthony A. Ferrara, CPA, MAS
Vice Chancellor / Chief Financial Officer

AAF/

/VOLUMES/FINANCE/VICE CHANCELLOR/GENERAL LETTERS - DOCUMENTS/FY 2019/LEE UNUM CONTRACT AMENDMENT/LEE UNUM CONTRACT AMENDMENT.DOCX

Enclosures

cc: Scott Grammar
Meagan Jones
Mark Paganelli
Sandra Pulliam
Blake Reagan

**THE UNIVERSITY OF TENNESSEE
CONTRACT AMENDMENT**

This Amendment is to the Contract between the University of Tennessee (hereafter UNIVERSITY) and Unum (hereafter) CONTRACTOR, which Contract was entered into on 5/12/14 (UT Contract #8500039651/9500038603).

This Contract Amendment consists of this cover page and 0 additional pages.

By mutual agreement, the UNIVERSITY and CONTRACTOR agree to the following amendment:

1. Amend UT contract 8500039651/9500038603 for RFP 10045579 to extend the Period of Performance through June 30, 2026; and
2. The University's maximum liability is increased by \$3,000,000 for a total of \$7,000,000; and
3. The Contract is amended to provide the continued individual disability policies during the full term of the resident training period. This applies to existing policies initiated during the original term only. No additional policies will be assigned but the Contractor will continue to service the existing policies until the resident graduates.

All other terms remain unchanged.

In witness of their acceptance of the terms of this agreement, the parties have had this Contract Amendment executed by their duly authorized representatives.

FOR CONTRACTOR:

ADDRESS:

7906 Players Forest Dr
Memphis, TN 38119

PHONE: 901.365.3447

FEDERAL ID #: XXXXXXXXXX

FOR UNIVERSITY:

DEPARTMENT NAME:

Graduate Medical Education

RESPONSIBLE ACCOUNT:

E073202

Name: Edwin Barnett
Title: President

David L. Miller
Chief Financial Officer

Date

Date

CONTRACT SUMMARY SHEET

021406

RFS #	Contract #
N/A	9500038603

State Agency	State Agency Division
University of Tennessee	Health Science Center

Contractor Name	Contractor ID # (FEIN or SSN)
Unum	C- or <input checked="" type="checkbox"/> V- [REDACTED]

Service Description

Agreement to provide disability insurance to residents with existing coverage through graduation.

Contract BEGIN Date	Contract END Date	Subrecipient or Vendor?	CFDA #
4/23/14	6/30/19	Vendor	

Mark Each TRUE Statement

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

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
332.3	N/A	N/A	N/A	N/A	N/a

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2015				\$800,000	\$800,000
2016				\$800,000	\$800,000
2017				\$ 800,000.00	\$800,000
2018				\$ 800,000.00	\$800,000
2019				\$ 800,000.00	\$800,000
TOTAL:	\$ -	\$ -	\$ -	\$ 4,000,000.00	\$ 4,000,000.00

— COMPLETE FOR AMENDMENTS ONLY —			State Agency Fiscal Contact & Telephone #
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	Anthony A. Ferrara 901-448-5523
2014/19	\$4,000,000.00		
2020/26		\$3,000,000.00	David L Miller 865-974-1763
			Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)
TOTAL:	\$ 4,000,000.00	\$ 3,000,000.00	
End Date	6/30/19	6/30/26	

7

<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business	<input type="checkbox"/> NOT disadvantaged
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> OTHER minority/disadvantaged—	

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

<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input type="checkbox"/> Alternative Competitive Method
<input type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government(eg, ID, GG, GU)	<input type="checkbox"/> Other

Procurement Process Summary (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)

Competitive - RFP

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Anthony A. Ferrara	*Contact Phone:	901-448-5523		
*Presenter's name(s):	Anthony A. Ferrara				
Edison Contract Number: <i>(if applicable)</i>		RFS Number: <i>(if applicable)</i>			
*Original or Proposed Contract Begin Date:	04/23/14	*Current or Proposed End Date:	06/30/26		
Current Request Amendment Number: <i>(if applicable)</i>	1				
Proposed Amendment Effective Date: <i>(if applicable)</i>	7/1/19				
*Department Submitting:	University of Tennessee				
*Division:	Health Science Center				
*Date Submitted:					
*Submitted Within Sixty (60) days:	No				
<i>If not, explain:</i>					
*Contract Vendor Name:	Unum				
*Current or Proposed Maximum Liability:	\$7,000,000				
*Estimated Total Spend for Commodities:	\$				
*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2014	FY: 2015	FY: 2016	FY: 2017	FY: 2018	FY
\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$ 800,000.00	\$
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)					
FY: 2015	FY: 2016	FY: 2017	FY: 2018	FY: 2019	FY
\$33,886.24	\$367,842.52	\$590,597.20	\$694,395.63	\$634,238.48	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:					
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:					
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:					

Supplemental Documentation Required for
Fiscal Review Committee

*Contract Funding Source/Amount:			
State:		Federal:	
<i>Interdepartmental:</i>		<i>Other:</i>	\$4,000,000.00
If “ <i>other</i> ” please define:			
If “ <i>interdepartmental</i> ” please define:		Funds for insurance premiums paid by residents	
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
N/A			
Method of Original Award: <i>(if applicable)</i>		Competitive - RFP	
<p style="text-align: center;">*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?</p>			
<p style="text-align: center;">*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.</p>			

Contract Payments to Vendors

Vendor Name	Assignmt/Contr	Reference	Amount	Posting Date	Posting Time	Posting User	Posting Date	Posting Time	Posting User	Posting Date	Posting Time	Posting User	Posting Date	Posting Time	Posting User	Posting Date	Posting Time	Posting User
UNDMPROVIDENT	8500039651	7/2015 GME DIS	17,929.33	2403912577	KN		08/17/2015	02	256910	2003820225	08/20/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	7/2015 GME DIS	1,012.27	2403912578	KN		08/17/2015	02	256910	2003820225	08/20/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	7/2015 GME DIS	1,820.51	2403912580	KN		08/17/2015	02	256910	2003820225	08/20/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	7/2015 GME DIS	5,135.47	2403912582	KN		08/17/2015	02	256910	2003820225	08/20/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	7/2015 GME DIS	4,254.76	2403912584	KN		08/17/2015	02	256910	2003820225	08/20/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	GEM RES DIS	18,252.47	2403921348	KN		09/11/2015	03	256910	2003831303	09/14/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	GEM RES DIS	1,012.27	2403921351	KN		09/11/2015	03	256910	2003831303	09/14/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	GEM RES DIS	1,820.51	2403921353	KN		09/11/2015	03	256910	2003831303	09/14/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	GEM RES DIS	5,167.25	2403921358	KN		09/11/2015	03	256910	2003831303	09/14/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	GEM RES DIS	4,303.40	2403921359	KN		09/11/2015	03	256910	2003831303	09/14/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	SEPT GME REST	18,712.50	2403932309	KN		10/09/2015	04	256910	2003842699	10/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	SEPT GME REST	1,012.27	2403932311	KN		10/09/2015	04	256910	2003842699	10/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	SEPT GME REST	1,820.51	2403932315	KN		10/09/2015	04	256910	2003842699	10/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	SEPT GME REST	5,167.25	2403932316	KN		10/09/2015	04	256910	2003842699	10/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	SEPT GME REST	4,279.08	2403932319	KN		10/09/2015	04	256910	2003842699	10/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	18,539.13	2403944088	ZZ		11/11/2015	05	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	1,012.27	2403944089	ZZ		11/11/2015	05	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	1,820.51	2403944091	ZZ		11/11/2015	05	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	5,167.25	2403944093	ZZ		11/11/2015	05	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	4,279.08	2403944094	ZZ		12/09/2015	06	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	18,463.56	2403953889	ZZ		12/09/2015	06	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	1,012.27	2403953899	ZZ		12/09/2015	06	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	10012015	4,994.85	2403953905	ZZ		12/09/2015	06	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	11012015	4,279.08	2403953911	ZZ		12/09/2015	06	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	11012015	4,279.08	2403953911	ZZ		12/09/2015	06	256910	2003855787	11/12/2015	C	2016	2016				
UNDMPROVIDENT	8500039651	DEC 2015	18,373.52	2403964151	ZZ		01/14/2016	07	256910	2003881667	01/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	DEC 2015	1,012.27	2403964154	ZZ		01/14/2016	07	256910	2003881667	01/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	DEC 2015	1,820.51	2403964156	ZZ		01/14/2016	07	256910	2003881667	01/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	DEC 2015	5,132.77	2403964160	ZZ		01/14/2016	07	256910	2003881667	01/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	DEC 2015	4,279.08	2403964162	ZZ		01/14/2016	07	256910	2003881667	01/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	01012016	1,012.27	2403973012	ZZ		02/10/2016	08	256910	2003890341	02/11/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	01012016	1,820.51	2403973014	ZZ		02/10/2016	08	256910	2003890341	02/11/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	01012016	5,132.77	2403973018	ZZ		02/10/2016	08	256910	2003890341	02/11/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	01012016	18,459.33	2403983123	ZZ		03/09/2016	09	256910	2003901313	03/10/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	FEB 2016	1,012.27	2403983125	ZZ		03/09/2016	09	256910	2003901313	03/10/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	FEB 2016	1,820.51	2403983127	ZZ		03/09/2016	09	256910	2003901313	03/10/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	FEB 2016	5,132.77	2403983129	ZZ		03/09/2016	09	256910	2003901313	03/10/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	FEB 2016	4,279.08	2403983131	ZZ		03/09/2016	09	256910	2003901313	03/10/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME MARCH 2016	1,820.51	2403984447	ZZ		04/20/2016	10	256910	2003918702	04/21/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME MARCH 2016	5,132.77	2403984448	ZZ		04/20/2016	10	256910	2003918702	04/21/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME MARCH 2016	18,459.33	2403984445	ZZ		04/20/2016	10	256910	2003918703	04/21/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME MARCH 2016	1,012.27	2403984449	ZZ		04/20/2016	10	256910	2003918703	04/21/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME MARCH 2016	4,279.08	2403984449	ZZ		04/20/2016	10	256910	2003918703	04/21/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME APRIL 2016	18,459.33	2404009466	ZZ		05/18/2016	11	256910	2003931666	05/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME APRIL 2016	1,012.27	2404009470	ZZ		05/18/2016	11	256910	2003931666	05/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME APRIL 2016	1,820.51	2404009473	ZZ		05/18/2016	11	256910	2003931666	05/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME APRIL 2016	5,132.77	2404009475	ZZ		05/18/2016	11	256910	2003931666	05/19/2016	C	2016	2016				
UNDMPROVIDENT	8500039651	GME APRIL 2016	4,249.83	2404009478	ZZ		05/18/2016	11	256910	2003931666	05/19/2016	C	2016	2016				

**THE UNIVERSITY OF TENNESSEE
CONTRACT**

8 5 0 0 0 3 9 5 6 1

This Contract, made and entered into on 4/23/2014, documents the agreement between the University of Tennessee (hereafter UNIVERSITY) and Unum (hereafter CONTRACTOR).

This Contract consists of this cover page, the signature page for both parties, University's Standard Terms and Conditions, and 6 additional pages which consists of the following documentation and which is incorporated as part of this Contract:

Attachment A Supplemental Individual Disability Insurance Plan

Terms contained on this cover page, the signature page for both parties and the University's Standard Terms and Conditions shall prevail over those of any Attachment unless otherwise stated below.

By mutual agreement, the UNIVERSITY and CONTRACTOR agree to the following:

1. Unum will provide individual disability insurance policies coverage for medical resident participants in the College of Medicine, Graduate Medical Education training program.
2. Reference Bid RFP #110045579.

The Period of Performance under this Contract is from 7/1/2014 through 6/30/2019. However, the UNIVERSITY may terminate this Contract by giving the CONTRACTOR at least thirty (30) days written notice before the effective termination date, in which event the CONTRACTOR shall be entitled to receive equitable compensation for satisfactory authorized work completed as of the termination date.

The UNIVERSITY will compensate CONTRACTOR per the plan offering listed in Attachment A.

Other payment terms (Put N/A if none): Premiums will be remitted in arrears of up to 45 days from the start of the given month and within 15 days of a corrected invoice. UNIVERSITY cannot make premium prepayments. UNIVERSITY's maximum liability will increase in accordance with any mutually agreed premium increases and upon written notification for amendment during the contract term period of 5 years.

The UNIVERSITY's maximum liability under this Contract is \$4,000,000.00.

In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly authorized representatives.

FOR CONTRACTOR:

ADDRESS: 7906 PLAYERS FOREST DR
MEMPHIS TN 38119

PHONE: 901.365.3447.

FEDERAL ID #: 94-3425047

E.W. Burt

Name: EDWIN W. BURMETT
Title: PRESIDENT

6/16/2014
Date

FOR UNIVERSITY:

DEPARTMENT NAME:
UT College Of Medicine

RESPONSIBLE ACCOUNT:
E073202/R073202091

Charles M. Peccolo

Charles M. Peccolo
Treasurer / Chief Financial Officer

June 11, 2014
Date

UNIVERSITY'S STANDARD TERMS AND CONDITIONS

1. The University is not bound by this Contract until it is approved and signed by appropriate University authorized official(s). A list of the University's authorized officials is located here: <http://treasurer.tennessee.edu/contracts/contracts/signature.html>
2. This Contract may be modified only by a written amendment which has been executed and approved by the authorized officials of both parties. A list of the University's authorized officials is located here: <http://treasurer.tennessee.edu/contracts/contracts/signature.html>
3. 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 University.
4. Unless otherwise indicated on the reverse, if this Contract provides for reimbursement for travel, meals or lodging, such reimbursement must be made in accordance with University travel policies.
5. 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 officer, agent, employee, subcontractor, or consultant to Contractor in connection with any work contemplated or performed relative to this Contract, and that no employee or official of the State of Tennessee holds a controlling interest in the Contractor. If the Contractor is an individual, the Contractor certifies that he/she is not presently employed by the University or any other agency or institution of the State of Tennessee; that he/she has not retired from or terminated such employment within the past six months; and that he/she will not be so employed during the term of this Contract.
6. The Contractor shall maintain documentation for all charges against the University 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 University or the Comptroller of the Treasury, or their duly appointed representatives. These records shall be maintained in accordance with generally accepted accounting principles.
7. No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Contractor shall, upon request, show proof of such nondiscrimination, and shall post in conspicuous places, available to all employees and applicants, notice of nondiscrimination.
8. The Contractor shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.
9. This Contract shall be governed by the laws of the State of Tennessee, which provide that the University has liability coverage solely under the terms and limits of the Tennessee Claims Commission Act.
10. The Contractor shall avoid at all times any conflict of interests between his/her duties and responsibilities as a Contractor and his/her interests outside the scope of any current or future Contracts. The following principles define the general parameters of a conflict of interests prohibited by the University:
 - a. Contractor's outside interests shall not interfere with or compromise his/her judgment and objectivity with respect to his/her duties and responsibilities to the University.
 - b. A Contractor shall not make or influence University decisions or use University resources in a manner that results in: Financial gain outside any current or future Contracts for either the Contractor or his/her relatives or Unfair advantage to or favored treatment for a third party outside the University.
 - c. A Contractor's outside financial interests shall not affect the design, conduct, or reporting of research.The Contractor certifies that he/she has no conflicts of interests and has disclosed in writing the following:
 - a. Any partners or employees of the Contractor who are also employees of the University.
 - b. Any relatives of the Contractor's partners or employees who work for the University.
 - c. Any outside interest that may interfere with or compromise his/her judgment and objectivity with respect to his/her responsibilities to the University.
11. If the Contractor fails to perform properly its obligations under this Contract or violates any term of this Contract, the University shall have the right to terminate this Contract immediately and withhold payments in excess of fair compensation for completed services. The Contractor shall not be relieved of liability to the University for damages sustained by breach of this Contract by the Contractor.
12. It is understood by the Contractor that the University will possess all rights to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract. The Contractor and the University acknowledge and agree that the Contractor's work under this Contract shall belong to the University as "work-made-for-hire" (as such term is defined in U.S. Copyright Law). To the extent Contractor's work is not deemed to constitute "work-made-for-hire," Contractor hereby assigns and transfers to the University all of Contractor's right, title and interest in and to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract.
13. For personal, professional, and consultant services, the Contractor shall submit brief, periodic progress reports to the University as requested.
14. In compliance with the requirements of Tenn. Code Ann. § 12-3-309, for any contract for goods or services purchased by the University, the Contractor hereby attests that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performances of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of the Contract.
15. Any activities performed within the University of Tennessee facilities in support of this contract shall be executed in accordance with all applicable safety and environmental standards. Covered activities include but are not limited to the installation, servicing and maintenance of devices or equipment. Requisite safety standards include those promulgated by the Tennessee Occupational Safety and Health Administration (TOSHA), the Tennessee Department of Environment and Conservation (TDEC), Tennessee Division of Radiological Health, and any other regulation or related consensus standards which may apply to the device, equipment, or services covered under this contract. All hazardous substances and materials, including waste, under the control of the contractor shall be managed in accordance with applicable EPA and TDEC regulations. *Failure to abide by regulatory requirements may result in termination of the contract by the university. Any fines imposed against the University as the result of a contractor's failure to abide by regulations shall be the contractor's responsibility.*
16. This Contract is the entire agreement between the University (including University employees and other end users) and Contractor. In the event Contractor enters into terms of use, end user agreements, or other agreements or understandings, whether electronic, click-through, or shrink-wrap, and whether verbal or written, with University employees or other end users, such agreements shall be null, void, and without effect, and the terms of this Contract shall apply.
17. In compliance with the requirements of Tenn. Code Ann. § 12-3-306, the Contractor hereby attests that the Contractor has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Contract.



Supplemental Individual Disability Insurance Plan

Coverage underwritten by the following subsidiary of Unum

Provident Life and Accident Insurance Company
1 Fountain Square
Chattanooga, TN 37402

Unum Life Insurance Company of America
2211 Congress Street
Portland, ME 04122

Provident Life and Casualty Insurance Company
1 Fountain Square
Chattanooga, TN 37402

www.unum.com

Unum is a registered trademark and marketing brand of Unum Group and its insuring subsidiaries.

All rights reserved

May 12, 2014

Developed Specifically For: The University of Tennessee Graduate Medical Education Disability Program

Presented by: Edwin W. Barnett

Prepared by: James M. Cotten
Memphis Sales Office

Plan Offering

Thank you for considering Unum for your Supplemental Individual Disability Insurance Plan. Enclosed with your plan offering are detailed plan specifications and an offer request document. Unum is pleased to partner with The University of Tennessee Graduate Medical Education Disability Program to provide these benefits to your employees. Specifically, your customized plan design includes:

Guaranteed Standard Issue (GSI) Supplemental Individual Disability Insurance Plan Summary

	Tier 1	Tier 2
Eligibility	All full time entering Resident Physicians (300 Eligibles)	All full time exiting Resident Physicians (300 Eligibles)
Insurable Income	Base Salary	Base Salary
Plan Design	Mandatory - \$1,500 Voluntary Resident Option - ability to purchase additional \$1,000, \$2,500 or \$3,500 for a total of up to \$5,000	Voluntary Resident Option - ability to purchase additional coverage for a total of up to \$5,000 from both tiers
LTD Plan	None	None
Elimination Period	90 days	90 days
Benefit Period	To Age 65	To Age 65
Contract Type	Income Series 750	Income Series 750
Contributory Status	Employee Paid (Mandatory)	Employee Paid
Participation Requirement	100% of 300 residents	20% of 300 residents
Discount	35% Large Case	35% Large Case
Optional Additional Benefits:	Catastrophic Disability Benefit - 50% of Base Benefit to a Maximum of \$2,500 Recovery Benefit - 1 Year Residual Disability - Full Benefit Period Your Occupation - Full Benefit Period	Catastrophic Disability Benefit - Flat amount of \$5,000 total between both tiers Cola - Fixed Guaranteed Right to Purchase Benefit - 5 options at \$500 each - total \$2,500 Residual Plus Serious Illness Benefit - 90 Day EP 20 times the monthly income benefit to a maximum of \$100,000 Work Incentive Benefit - 1 Year



Supplemental Individual Disability Insurance Plan

Contract Benefits

Income Series 750
Non-Cancellable Contract
Tier 1

Benefit Period

To Age 65

Elimination Period

Benefits begin after a waiting period of 90 days

Income Replacement for Total Disability

- **For the duration of your Benefit Period:** a monthly income benefit will be paid if you are totally disabled in your occupation, which means you are unable to work in your occupation, not working in any other occupation, and are under the care of a physician
- **2 Years Mental Disorder Benefit**

Return-To-Work Benefits

- **Rehabilitation Benefit:** can help you regain your self-sufficiency as soon as possible. While you are disabled and receiving benefits, we may pay rehabilitation expenses not covered by other benefits
- **Work Incentive Benefit:** when you return to work, you will receive a short-term incentive for up to 3 months equal to the difference between your prior income and your current income, for up to 100% income replacement (subject to the maximum benefit amount)
- **Residual Disability Benefit:** you must be under a doctor's care to be eligible for this benefit, which can pay for up to the end of your benefit period. You don't have to be totally disabled to be eligible, but you must still either lose time (due to injury or sickness) from your job or be unable to perform some of your job requirements and incur a loss of earnings of at least 20%
- **Recovery Benefit:** provides a benefit for up to 1 year if you fully recover, return to full-time work in your occupation but you continue to lose earned income due to your prior disability. This provision pays a benefit while you re-establish your earnings base. The amount you get is based on the percentage of earnings you lose

Other Features

- **Voluntary Suspension During Unemployment:** premium payments can be suspended for up to one year from date of unemployment. Any loss incurred during the suspension period is not covered

Optional Benefits

- **Catastrophic Benefit:*** provides an additional benefit in the event of catastrophic disabilities that are likely to increase your living expenses (your insurance professional can provide information on physical conditions that apply)
**Not available in CT, GA, NH, TX and VT*
- **Presumptive Benefit:*** provides an additional benefit in the event of presumptive disabilities that are likely to increase your living expenses (your insurance professional can provide information on physical conditions that apply)
**Only available in CT, NH, TX and VT*
- **Disability Protection Benefit:*** provides an additional benefit in the event of catastrophic disabilities that are likely to increase your living expenses (your insurance professional can provide information on physical conditions that apply)
**Only available in GA*

This information is not intended to be a complete description of the insurance coverage available. The policy or its provisions may vary or be unavailable in some states. Contract Provisions, Features and Optional Benefits are based on our standard published issue ages. The policy has exclusions and limitations that may affect any benefits payable. For complete details of coverage and availability, please refer to Policy Form Income Series 750 and contact your Unum representative.



Supplemental Individual Disability Insurance Plan

Contract Benefits

Income Series 750
Non-Cancellable Contract
Tier 2

Benefit Period

To Age 65

Elimination Period

Benefits begin after a waiting period of 90 days

Income Replacement for Total Disability

- **1st Two Years of Disability:** a monthly income benefit will be paid if you are totally disabled in your occupation, which means you are unable to work in your occupation, not working in any other occupation, and are under the care of a physician
- **Remainder of Your Benefit Period:** after Your Occupation Period of 2 years, pays if, due to injuries or sickness, you are unable to perform the material and substantial duties of any occupation, and are under the care of a physician
- **2 Years Mental Disorder Benefit**

Return-To-Work Benefits

- **Rehabilitation Benefit:** can help you regain your self-sufficiency as soon as possible. While you are disabled and receiving benefits, we may pay rehabilitation expenses not covered by other benefits
- **Work Incentive Benefit:** when you return to work, you will receive a short-term incentive for up to 1 year equal to the difference between your prior income and your current income, for up to 100% income replacement (subject to the maximum benefit amount)
- **Residual Disability Benefit:** you must be under a doctor's care to be eligible for this benefit, which can pay for up to 2 years. You don't have to be totally disabled to be eligible, but you must still either lose time (due to injury or sickness) from your job or be unable to perform some of your job requirements and incur a loss of earnings of at least 20%

Other Features

- **Voluntary Suspension During Unemployment:** premium payments can be suspended for up to one year from date of unemployment. Any loss incurred during the suspension period is not covered

Optional Benefits

- **Fixed Cost of Living Adjustments:** help your benefit keep pace with inflation during disability
- **Guaranteed Right to Purchase Increase:** subject to financial underwriting, lets you increase your benefit every year (to age 55) as your income increases. No medical documentation is required - only financial
- **Residual Plus:** provides an enhanced residual disability benefit
- **Serious Illness Benefit:** a lump sum benefit is payable for disabilities as a result of cancer, stroke or heart attack, subject to the benefit's elimination period
**Not available in CT, GA, NY, NJ and VT*
- **Catastrophic Benefit:*** provides an additional benefit in the event of catastrophic disabilities that are likely to increase your living expenses (your insurance professional can provide information on physical conditions that apply)
**Not available in CT, GA, NH, TX and VT*
- **Presumptive Benefit:*** provides an additional benefit in the event of presumptive disabilities that are likely to increase your living expenses (your insurance professional can provide information on physical conditions that apply)
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Attachment A

8500039561

The University of Tennessee Graduate Medical Education Disability Program

Supplemental Individual Disability Insurance Plan

Plan Specifications

TERMS & CONDITIONS

Who is eligible	<p>Entering Resident Physicians – To qualify a resident must be age 55 or under and actively employed on a full-time basis for a period of time commencing 90 Days prior to and including the date of application, applicants must not have missed one or more days of work or been homebound or admitted to a medical facility due to injury or sickness, or had any restrictions or limitations on their ability to work on a full time basis (30 hours or more per week) due to injury or sickness.</p> <p>The graduating resident physician must be within 90 days prior of terminating coincident with full completion, or graduation from the program of internship, residency or fellowship. The employee cannot be in an elimination period for disability benefits under the group policy.</p>
Basis of Issue	<p>A standard offer means no modifications can be made to the contract's premium rate, elimination period, benefit period or monthly benefit amounts to adjust for a pre-existing medical condition.</p> <p>If the Catastrophic Disability benefit is included in the offering, all applicants will be asked questions for current Activities of Daily Living (ADL) losses. If any ADL loss or applicable pre-existing condition exists on the date of the application, no Catastrophic Disability benefit will be included in the policy.</p> <p>Similarly, if the Serious Illness Benefit is included in the offering, applicants will be asked questions pertinent to the underwriting of this benefit. A yes answer to any of those specific questions will result in no Serious Illness Benefit being included in the policy.</p> <p>Pre-existing Condition Limitation Provisions apply to the benefits in the previous two paragraphs only.</p> <p>The IDI benefit will coordinate with any other disability coverage applied for, and any disability coverage already inforce.</p> <p>Coverage applied for on a GSI basis cannot exceed this plan design and total coverage to be in-force (includes Group Long Term Disability and Individual Disability Insurance) cannot exceed our issue and participation limits.</p> <p>The GSI benefit may be directly reduced by any inforce individual coverage that was issued by Unum or its affiliated companies on a GSI basis. Unum will not participate with any other active employer-sponsored individual disability GSI program that provides long-term coverage through a non-cancellable or guaranteed renewable contract.</p> <p>Minimum policy size is \$300 - must financially qualify.</p> <p>Any additional amounts purchased beyond this offer amount will be considered to be outside the plan design and subject to our normal medical and financial underwriting guidelines.</p>
Financial Requirements	<p>We will accept a company-provided census (electronic preferred) listing employee name, date of birth, job title, date of hire and compensation (defined as Insurable Income on Page 1) as income documentation. For purposes of insurable income, base salary is defined as stable annual salary. Variable compensation may include bonus, commissions, K-1 earnings and other forms of incentive compensation, and is defined as a two-year average of compensation or last year's if less. If only a one-year history of variable compensation documentation is available due to an individual not having been employed long enough to generate a two-year history, we will consider 75% of the variable compensation as insurable. Insurable income should be broken down into base salary and variable compensation in the census, if applicable.</p>
Application Type	<p>Net Worth and Unearned Income considerations will be disregarded.</p> <p>GSI App Form: AE-1090 (short form GSI)</p>



Attachment A
8500039561

The University of Tennessee Graduate Medical Education Disability Program

Supplemental Individual Disability Insurance Plan

Offer Request

OFFER REQUEST

- This offer must be signed and received by Case Design Underwriting before applications can be accepted.
- Written request for this offer must be received by **May 31, 2014**.
- The above offer is contingent upon current ratebook and state regulations in effect at application time. Any change in plan design, eligibility/participation requirements, premium payer, etc. requires written approval by Case Design Underwriting.

EMPLOYER AND BROKER OBLIGATIONS/ENROLLMENT PROCESS

- In order to support the Individual Disability Insurance GSI benefit and as a condition of this offer, Unum requires that an effective communication and enrollment strategy be in place and approved by Unum to assure the minimum participation is achieved. If the required participation is not achieved, the offer becomes void.
- Unum will be provided with a full census (name, job title, date of hire, insurable income, DOB, gender and employee Social Security Number) that will allow for the development of personalized enrollment materials including pre-printed applications for each employee.
- The communication strategy will encompass an employer endorsement letter, the distribution of personalized enrollment materials for each employee and follow-up to each employee to review their personalized benefit proposal.
- All applications must be submitted within 90 Days from the date of this offer request. After the initial enrollment, new employees must apply for coverage within 90 day of date of hire or eligibility.
- Employees who enroll and fully participate in this plan will have the opportunity to update their coverage within the plan design and benefit maximums during a scheduled annual or biannual enrollment period.
- **Tier 1: The Employer agrees with respect to policies issued by the Insurance Co. to certain salaried/wage earning employees:**
To pay in full the required premiums (100% Employer Pay) for such policies and to remit such premiums to the Insurance Co. when due (refund check will be sent to the Employer if there is an overpayment).
- **Tier 2: The Employer agrees to sponsor and endorse the voluntary purchase of policies billed on an individual employee bank draft or direct bill basis (refund check will be sent to the Insured if there is an overpayment).**

OFFER REVIEW PROCESS

This offer will be reviewed every two years and remains in effect subject to our review of the plan design, persistency and overall case success. We may request current case information and census listing eligible individuals, dates of birth, job title and current income to complete our review. Although we do not anticipate doing so, we reserve the right to withdraw or modify this offer at any time. Factors such as experience, non-adherence to offer terms or availability of contract type could make this necessary. When appropriate, the Company will provide 90-days notice in advance of any anticipated change to this offer.

We are privileged that you have selected Unum to meet your employees' income protection needs. We appreciate the opportunity to serve you and your employees, and we look forward to a continuing relationship.



Attachment A
8500039561

The University of Tennessee Graduate Medical Education Disability Program
Supplemental Individual Disability Insurance Plan

Offer Acceptance

OFFER ACCEPTANCE

On behalf of The University of Tennessee Graduate Medical Education Disability Program, I request the offer outlined above and understand that these specifications are only available through the broker to whom this letter is addressed.

DISCLOSURE REMINDER REGARDING BROKER COMPENSATION

Your insurance or benefits advisor can offer you advice and guidance as you select the policy and provider most appropriate for your needs. At Unum we recognize the important role these professionals play in the sale of our products and services and offer them a variety of compensation programs. Your advisor can provide you with information about these programs as well as those available from other providers. We support disclosure of advisor compensation so that customers can make an informed buying decision.

If you would like additional information about the range of compensation programs our company offers, you can find more details at www.unum.com. Unum provides employers with the premium and commission information needed to complete Schedule A on Form 5500 for group insurance as may be required under ERISA. You may request similar information for ERISA reporting purposes for other insurance policies, such as Voluntary Benefits or Individual Disability. If you would like to request such information or if you have other questions, or if you would like to speak to us directly about advisor compensation, please call Broker Compensation Services at 1-800-633-7491.

At Unum we recognize and support full transparency and disclosure of compensation. Unum Enrollment Representatives are licensed as insurance producers; they represent and act on behalf of Unum. Enrollment Representatives do not receive compensation based in whole or in part on the sale of insurance to you. If you have questions, contact your Unum IDI Executive Benefits Representative

Charles M. Peccole

E. W. Barnett

SIGNATURE
Charles M. Peccole
Treasurer
Chief Financial Officer
TYPE OR PRINT CLEARLY
University of Tennessee

J. ne. July
DATE

(signature)
Edwin W. Barnett
Broker of Record

6/16/2014
DATE

cc: Sheri L. Morrison, Underwriting Consultant - IDI Case Design Underwriting

The University of Tennessee Graduate Medical Education Disability Program 2013 Option 2
