



**CITY OF AURORA**

**CONTRACT FOR SERVICES**

This contract is entered into between City of Aurora and Group Alternatives, Inc. to maintain the services of Group Alternatives, Inc. in accordance with the terms included in the Scope of Services.

City of Aurora retains Group Alternatives, Inc. for Continuing Services for the one year period beginning January 1, 2018 and ending December 31, 2018 at cost of \$36,800 annually. Payments of \$3,066.67 are due on the first of each month beginning January 1, 2018.

This contract may be terminated without penalty by City of Aurora or Group Alternatives, Inc. at any time with 60 days advance notice in writing.

This agreement is entered into this 1<sup>st</sup> day of January, 2018.

Signed By,

A handwritten signature in black ink, appearing to read "Michael J. Baker", written over a horizontal line.

Michael J. Baker  
Group Alternatives, Inc.

A handwritten signature in black ink, appearing to read "Alicia Lewis", written over a horizontal line.

City of Aurora



### Executive Summary:

Group Alternatives, Inc. was founded in 1989 as a boutique, fee-based benefit consulting company. Our core principle is to provide unbiased advice to the mid to large employer as well as deliver the highest level of customer service. Our success and expertise has established strong and lasting relationships with our clients, resulting in an average retention of 97.5% annually.

Our company's growth and industry complexities have led to many strategic partnerships over the years. Our clients benefit from additional expertise through our partners, including the following:

- Seyfarth Shaw, LLP – Legal and Compliance Services
- EmployeeTech – HR and Benefit Technology Consulting
- PlanIT – Data Analytics Reporting
- Consulting Advisory Councils – Aetna, Blue Cross, CIGNA, CHC Wellness

Our approach uses a five-step process to thoroughly evaluate your current benefit package and to provide both strategic and practical recommendations. ***Our process has resulted in 85% of our clients having a 2.9% 5-year compounded trend versus industry average of 7.5%.*** These steps include:

- ***DISCOVERY:*** Each benefit plan is evaluated from a design, historical, and financial perspective to understand the complete nature of the benefits and how they align with our client's overall business goals. This is an annual process; however, it will be performed multiple times in a given year if legislation is passed that affects the benefit programs.
- ***ANALYSIS:*** Benefit Plan areas that are analyzed include:
  - Financial/funding arrangements
  - Benefit, cost and contribution benchmarking
  - Data Analytics – detailing the cost drivers to the plan
  - RX claims repricing and contract analysis
  - Provider Network Analysis
  - Health and well-being strategies
  - New technologies that improve cost and members' experience



- **STRATEGY:** Strategic and practical recommendations are provided and prioritized for action based on our client's direction. The strategic plan ranges anywhere from 1 to 5 years depending on the objectives of the client.
- **REVIEW:** Each actionable item is tested in the market for cost, quality, and the best match with your goals. We also facilitate finalist interviews, aid in the decision process and finalize any new arrangements.
- **IMPLEMENTATION:** Client's decisions are implemented in a timely manner, including any change in carrier or vendor. Group Alternatives manages this process and oversees any transitions in partnership with the client's HR team.

## SCOPE OF SERVICES

- I. Review the existing benefits and provide a factual, concise summary of the current plans along with observations and suggestions for future changes.
- II. Analyze the claim experience and other costs, including financial projections and implications of maintaining the existing benefits and funding arrangement.
- III. Analyze the financial implications of ACA on your current benefit programs, such as the pending Cadillac Tax for 2020 and beyond. In addition, analyze benefit options and financial implications of Repeal and Replace Legislation.
- IV. Market the existing benefit plans, which includes:
  - Writing specifications for the Request for Proposal
  - Marketing to no less than 10 markets for medical and up to 6 additional markets for each of the other benefits
  - Preparing and presenting a concise Marketing Report
  - Evaluating offers and providing revised pricing recommendations
  - Developing a selection strategy for finalists, if desired
- V. Evaluate current and alternative Preferred Provider networks, including:
  - Tax ID number match-up based on physician usage and charges
  - Repricing of medical claims, if obtainable from current carrier
- VI. Data Analytics – Aggregated claims data including medical / Rx claims, as well as biometric screening results. Health Plan Intelligence helps you better understand and strategically manage the performance of your health plan through:
  - Dashboard – annual report that provides an intuitive view of how the plan is performing with focus on key health service areas and underlying conditions.
  - Analytics – provides our clients with direct access to powerful views of underlying health care data through a secure portal.
  - BeneCalc – provides our clients the advantage of predicting both the financial and member impact of potential plan changes. This application affords our clients the opportunity to pursue changes which maximize plan savings while minimizing member disruption.
- VII. Benchmark the current benefits and employee contributions to a real time database of other employer’s benefit plans. Comparative information from this database (over 5,000 employers) may be selected by industry, number of employees and/or geographic region.
- VIII. HR Technology Consulting:
  - Evaluation of current HR process, technology and requirements
  - Process improvement with current platforms
  - Marketing for new solutions
  - Management of RFI process
  - Coordination of vendor demos
  - Recommendations – scored based on client evaluation
  - Calculation of return on investment
  - Final vendor negotiations
  - Implementation oversight



## SCOPE OF SERVICES

- IX. Customize, develop and launch a virtual benefits counselor.
- X. Provide information and a proven strategy for using Consumer Driven Health Plans to reduce benefit costs, including a 2-3 year flat budget approach.
- XI. Review the Prescription Drug benefit and provide cost control strategies.
- XII. Provide employee behavior modification strategies, including:
  - Wellness
  - Disease Management
  - Large claims/chronic co-morbidity
- XIII. Review all benefit plan documents and master contracts for accuracy, as well as consistency with each other and with benefit regulations, such as COBRA, HIPAA, FMLA and ACA.
- XIV. Review/update current employee communication materials for compliance with the Summary of Benefits and Coverage requirements.
- XV. Provide assistance/resolution in difficult claim situations. Be available for meetings and questions as needed.
- XVI. Provide assistance with coverage changes and enrollments.

