

### Introduction

The SJVIA currently receives its benefits administration system services and COBRA/retiree administration services through Chimienti & Associates, Inc. Chimienti & Associates in turn, subcontracts these services to Hourglass and ASi. In reviewing contracting terms and services provided by the SJVIA's vendor partners, it was determined that by contracting direct with the subcontractors savings of \$92,465 to the SJVIA could be realized without impacting services provided.

| SJVIA              | Enrollment   | Chimienti      |                   | Hourglass & ASi |         |                | Annual Total      |
|--------------------|--------------|----------------|-------------------|-----------------|---------|----------------|-------------------|
|                    |              |                |                   | Hourglass       | ASi     | Total          |                   |
| County of Fresno   | 6,550        | \$ 5.20        | \$ 408,720        | \$ 2.65         | \$ 2.00 | \$ 4.65        | \$ 365,490        |
| County of Tulare   | 3,018        | \$ 5.20        | \$ 188,323        | \$ 2.65         | \$ 1.25 | \$ 3.90        | \$ 141,242        |
| City of Ceres      | 163          | \$ 5.20        | \$ 10,171         | \$ 2.65         | \$ 2.00 | \$ 4.65        | \$ 9,095          |
| City of Marysville | 45           | \$ 5.20        | \$ 2,808          | \$ 2.65         | \$ 1.00 | \$ 3.65        | \$ 1,971          |
| City of Waterford  | 13           | \$ 5.20        | \$ 811            | \$ 2.65         | \$ 1.00 | \$ 3.65        | \$ 569            |
| <b>Total</b>       | <b>9,789</b> | <b>\$ 5.20</b> | <b>\$ 610,834</b> |                 |         | <b>\$ 4.41</b> | <b>\$ 518,368</b> |
| \$ Difference      |              |                |                   |                 |         |                | \$ (92,465)       |
| % Difference       |              |                |                   |                 |         |                | -15.1%            |

| Services   | County of Fresno | County of Tulare | City of Ceres | City of Marysville | City of Waterford |
|--|------------------|------------------|---------------|--------------------|-------------------|
| <b>Chimienti &amp; Associates</b>  |                  |                  |               |                    |                   |
| <b>Rate - PEPM</b>   | <b>\$0.90</b>    | <b>\$1.05</b>    | <b>\$1.05</b> | <b>\$2.05</b>      | <b>\$2.05</b>     |
| • ACH fee deposits for Active, Retiree, COBRA, Special Districts, FMLA, Survivors                                      | X                | X                | X             | X                  | X                 |
| Receive and reconcile individual categories of premium to AdminDirect report for accuracy                              | X                | X                | X             | X                  | X                 |
| Issue compensation payments to subcontractors for Benefit Eligibility System (Hourglass) and Flex Administration (ASI) | X                | X                | X             | X                  | X                 |
| • Open Enrollment Services   | X                | X                | X             | X                  | X                 |
| <b>AdminDirect (Hourglass)</b>   |                  |                  |               |                    |                   |
| <b>Rate - PEPM</b>   | <b>\$2.15</b>    | <b>\$2.15</b>    | <b>\$2.15</b> | <b>\$2.15</b>      | <b>\$2.15</b>     |
| • AdminDirect Benefits Management/Enrollment System Access - Self Service  | X                | X                | X             | X                  | X                 |
| • Technical Support for end users  | X                | X                | X             | X                  | X                 |
| • Produce Eligibility Electronic Data Interface (EDI) files to carriers (weekly)                                       | X                | X                | X             | X                  | X                 |
| • COBRA data fee to ASI (weekly)   | X                | X                | X             | X                  | X                 |
| • EDI monitoring/discrepancy resolution with carriers  | X                | X                | X             | X                  | X                 |
| • Eligibility/billing scheme management/closings   | X                | X                | X             | X                  | X                 |
| • Active/Retiree payroll deduction imports and premium applications  | X                |                  |               |                    |                   |
| • Transmittal worksheets/accounting breakouts for Actives (bi-weekly/monthly)  | X                | X                | X             | X                  | X                 |
| Transmittal worksheets/accounting breakouts for Retirees, Special District, COBRA, FMLA (bi-weekly/monthly)            | X                |                  |               |                    |                   |
| • Reconciliation of member accounts/benefits from accounting discrepancy reports with end user                         | X                | X                | X             | X                  | X                 |
| • Manual PGP Encryption and SFTP of all files uploaded/downloaded  | X                |                  |               |                    |                   |
| • Manual import of payroll eligibility data file for Actives from PeopleSoft (bi-weekly)                               | X                |                  |               |                    |                   |
| • Manual import of on-cycle/off-cycle deduction files for Actives - data validation prior to application deposits      | X                |                  |               |                    |                   |
| • Ad-hoc requests as needed  | X                | X                | X             | X                  | X                 |
| • Import Retiree payroll deductions into SQL tables - compare to eligibility - process for bank deduction processing   | X                |                  |               |                    |                   |
| • AdminDirect annual/renewal benefit setup/modification for plan year changes  | X                | X                | X             | X                  | X                 |
| • Complete EE/Dep data migrations necessary to meet plan year changes  | X                | X                | X             | X                  | X                 |
| • Review Renewal rates provided by broker, adjust for completing bi-weekly and monthly accounting transmittals         | X                | X                | X             | X                  | X                 |
| • Input new plan year rates into AdminDirect rate tables   | X                | X                | X             | X                  | X                 |
| • Coordinate/complete programming required to support new carrier and/or benefit changes for EDI transmittals          | X                |                  | X             | X                  | X                 |
| <b>Administrative Services (ASI)</b>   |                  |                  |               |                    |                   |
| <b>Rate - PEPM</b>   | <b>\$2.15</b>    | <b>\$2.00</b>    | <b>\$2.00</b> | <b>\$1.00</b>      | <b>\$1.00</b>     |
| • Federal COBRA Administration   | X                |                  | X             | X                  | X                 |
| • California COBRA Administration  | X                |                  | X             | X                  | X                 |
| • Family Medical leave Act Billing/Collection Services   | X                |                  |               |                    |                   |
| • Retiree Billing/Collection Services  | X                |                  |               |                    |                   |
| • Monthly Account Reconciliation Services  | X                |                  |               |                    |                   |
| • Customer Service - walk-in consulting with qualified beneficiaries   | X                |                  | X             | X                  | X                 |
| • Daily Communication/Customer Service as required   | X                | X                |               |                    |                   |
| • Monthly audits for discrepancies from SJVIA entity to AdminDirect to ASI   | X                |                  |               |                    |                   |
| • COBRA Consulting as requested  | X                |                  |               |                    |                   |
| • Quarterly Meetings as requested  | X                |                  |               |                    |                   |
| • Section 125 plan administration  |                  | X                | X             |                    |                   |
| • Consolidated billing for Kaiser  |                  | X                |               |                    |                   |
| • Notice generation based on AdminDirect and manual notices sent by SJVIA entity as required                           |                  |                  | X             | X                  | X                 |
| • COBRA premium payment to group (monthly)   |                  |                  | X             | X                  | X                 |
| • COBRA appeals committee to review appeals received   |                  |                  | X             | X                  | X                 |
| <b>TOTAL RATE PEPM REMITTED TO CHIMIENI &amp; ASSOCIATES</b>   | <b>\$5.20</b>    | <b>\$5.20</b>    | <b>\$5.20</b> | <b>\$5.20</b>      | <b>\$5.20</b>     |