



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

PUBLIC NOTICE OF A REGULAR MEETING

The **Executive Committee of the Michigan Municipal Services Authority** (Authority) will hold a regular meeting on the following date, at the following time, and at the following location:

<u>Date</u>	<u>Time</u>	<u>Location</u>
Thursday, November 12, 2015	1:30 PM	Capitol View Building 201 Townsend St Suite 900 Lansing, MI 48933

The meeting is open to the public and this notice is provided under the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275.

The meeting location is barrier-free and accessible to individuals with special needs. Individuals needing special accommodations or assistance to attend or address the meeting should contact the Authority at (248) 925-9295 prior to the meeting to assure compliance with Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, and 42 USC 12131 to 12134.

A copy of the proposed meeting minutes will be available for public inspection at the principal office of the Authority within 8 business days. A copy of the approved minutes of the meeting, including any corrections, will be available for public inspection at the principal office of the Authority within 5 business days after approval.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**EXECUTIVE COMMITTEE
REGULAR MEETING**

Thursday, November 12, 2015 at 1:30 PM

Capitol View Building
201 Townsend St Suite 900
Lansing, MI 48933

AGENDA

- I. Call to Order**
- II. Roll Call**
- III. Approval of Agenda**
- IV. Approval of Minutes**
 - a. Minutes of the September 24, 2015 regular Executive Committee meeting
- V. Administrative Report**
 - a. Financial Report
 - b. FMS Program Update
 - c. VHWM Program Update
 - d. Program Development Update
- VI. New Business**
- VII. Public Comment**
- VIII. Other Business**
- IX. Adjournment**

A copy of the proposed minutes of the meeting will be available for public inspection at the principal office of the Authority within 8 business days. A copy of the approved minutes of the meeting, including any corrections, will be available for public inspection at the principal office of the Authority within 5 business days after approval.



Michigan Municipal Services Authority

PO BOX 12012, LANSING MI 48901-2012

**EXECUTIVE COMMITTEE
REGULAR MEETING**

Thursday, September 24, 2015 at 2:00 p.m.

Grid 70 LLC
70 Ionia Avenue Southwest
Grand Rapids, MI 49503

MINUTES

Proposed Minutes Approved Minutes

MEETING TYPE: Regular Special

I. Call to Order

The meeting was called to order at 2:35 PM.

II. Roll Call

Executive Committee Member Attendance:

Stacie Behler, Chairperson	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
James Cambridge, Secretary*	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Eric DeLong, Treasurer	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Doug Smith, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Al Vanderberg, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent

*Participated via teleconference.

Other attendees:

- Robert Bruner, Michigan Municipal Services Authority
- Kristen Delaney, Michigan Municipal Services Authority
- Steven Liedel, Dykema
- Robert Moroni, The Segal Group

III. Approval of Agenda

Moved by: Vanderberg
Supported by: DeLong

Yes: X No: ___

IV. Approval of Minutes

- a. Minutes of the August 14, 2015 regular Executive Committee meeting

Moved by: DeLong
Supported by: Vanderberg

Yes: X No: ___

V. Administrative Report

- a. Health Benefit Risk Pool Proposal
- b. Moroni presented information regarding the Health Benefit Risk Pool Proposal.

VI. New Business

- a. Resolution 2015-16 FY 2014-2015 General Appropriations Act Amendment

Moved by: Vanderberg
Supported by: DeLong

Yes: X No: ___

- b. Resolution 2015-17 FY 2015-2016 General Appropriations Act

DeLong noted that there was an error in the figures on the first page of the resolution that needed to be corrected.the

Liedel stated that the Executive Committee needed to record a roll call vote in order to adopt this resolution.

Moved by: DeLong (as amended)
Supported by: Vanderberg

Stacie Behler, Chairperson	Yes: <u>X</u>	No: ___
James Cambridge, Secretary	Yes: <u>X</u>	No: ___
Eric DeLong, Treasurer	Yes: <u>X</u>	No: ___

Doug Smith, Member
Al Vanderberg, Member

Yes: X
Yes: X

No: ___
No: ___

II. Public Comment

None

III. Other Business

Bruner stated that there would likely not be an Executive Committee meeting in October due to a lack of agenda items.

Moroni stated that he will do further work on the Health Benefit Risk Pool Proposal. He expects that he will have more information for the Executive Committee at the November meeting.

IV. Adjournment

Motion to adjourn the meeting at 3:40 PM.

Moved by: Cambridge
Supported by: DeLong

Yes: X No: ___

Certification of Minutes

Approved by the Executive Committee on November 12, 2015.

Authority Secretary

Date



Michigan Municipal Services Authority

Administrative Report

Prepared November 10, 2015

Financial Report

MMSA Administrative Report

Michigan Municipal Services Authority
Balance Sheet
As of October 31, 2015

ASSETS

CURRENT ASSETS

Cash in Bank \$ 490,242.67

Total Current Assets 490,242.67

PROPERTY AND EQUIPMENT

TOTAL ASSETS \$ 490,242.67

CURRENT LIABILITIES

Accrued State W/H \$ 536.04

Accrued Federal W/H 1,680.00

Accrued FICA 2,118.06

Accrued MESC 27.63

Total Current Liabilities 4,361.73

LONG-TERM LIABILITIES

Total Liabilities 4,361.73

FUND BALANCE

Fund Balance Retained 431,181.71

Current Revenue over Expenses 54,699.23

Total Fund Balance 485,880.94

**TOTAL LIABILITIES AND
FUND BALANCE** \$ 490,242.67

Michigan Municipal Services Authority
Statement of Income
For the 1 Month and 1 Month Ended October 31, 2015

	<u>1 Month Ended</u> <u>October 31, 2015</u>	<u>1 Month Ended</u> <u>October 31, 2015</u>
Revenues		
Contract Revenue	\$ 107,252.96	\$ 107,252.96
Operating Expenses		
Salary Director	\$ 9,076.92	\$ 9,076.92
Wages - Administrative Staff	4,766.66	4,766.66
Outside Service Contractors	15,000.00	15,000.00
Payroll Taxes	1,059.02	1,059.02
Office Expense	10.00	10.00
Legal & Accounting	17,800.95	17,800.95
Seminars & Education	20.00	20.00
Mileage Reimbursement	1,133.47	1,133.47
Travel Expenses	3,578.35	3,578.35
Bank Service Charges	<u>108.36</u>	<u>108.36</u>
Total Operating Expenses	52,553.73	52,553.73
Revenues over Expenses	<u>\$ 54,699.23</u>	<u>\$ 54,699.23</u>

MICHIGAN MUNICIPAL SERVICES AUTHORITY

Summary of Revenues and Expenditures

Date	Check Number	Invoice Number	Description	Check Amount	Deposits/ Other Credits	Account Balance
9/30/15			Beginning Balance			\$ 435,926.98
10/2/15	ACH	Expenses Reim	Robert J Bruner	\$ 1,133.47		\$ 434,793.51
	ACH	Expenses Reim	Robert J Bruner	\$ 3,608.35		\$ 431,185.16
10/8/15	Direct Deposits		Payroll	\$ 5,284.26		\$ 425,900.90
	EFTPS	payroll tax	US Treasury	\$ 3,798.05		\$ 422,102.85
	EFTPS	payroll tax	US Treasury FUTA	\$ 42.00		\$ 422,060.85
	5219	payroll tax	State of Michigan UIA	\$ 341.55		\$ 421,719.30
	5220	payroll tax	State of Michigan SUW	\$ 536.04		\$ 421,183.26
10/9/15	ACH		Michael A Tawney & Company	\$ 200.00		\$ 420,983.26
10/13/15		service charge	Bank Service Charge	\$ 108.36		\$ 420,874.90
10/14/15		DEPOSIT	Incoming Wire Transfer		\$ 75,818.86	\$ 496,693.76
10/20/15		DEPOSIT	SOM Main FACS		\$ 31,434.10	\$ 528,127.86
10/23/15	ACH		Plante Moran	\$ 16,007.50		\$ 512,120.36
	ACH		Segal Consulting	\$ 15,000.00		\$ 497,120.36
10/22/15	Direct Deposits		Payroll	\$ 5,284.24		\$ 491,836.12
10/30/15	ACH		Dykema Gossett PLLC	\$ 1,593.45		\$ 490,242.67
TOTAL MI MUN SERV AUTH CASH BALANCE						\$ 490,242.67

BANK RECONCILIATION

Name of Client: Michigan Municipal Services Authority

Month: October, 2015

Bank: Fifth Third

Prepared By: _____

General Ledger Acct Balance:		\$ 435,926.98	Balance per bank statement: 10/31/15	\$ 507,163.30
Add Debits:			Add Deposits in Transit:	
Deposits	\$ 107,252.96			
Total Dr \$		\$ 107,252.96		
Total		\$ 543,179.94		
Less Credits:			Total in Transit:	\$ -
5217-5220	\$ 4,717.64			
Payroll	\$ 10,568.50		Total:	\$ 507,163.30
Online payments	\$ 37,542.77			
SC	\$ 108.36		Less Checks Outstanding:	
Total Cr \$		\$ 52,937.27	(see list below)	
			Total:	\$ 16,920.63
Bank Balance - Per General Ledger:		\$ 490,242.67		\$ 490,242.67

Checks Outstanding

Number	Amount	Number	Amount	Number	Amount
5061	\$ 15,000.00				
5091	\$ 507.00				
5210	\$ 536.04				
5219	\$ 341.55				
5220	\$ 536.04				
	\$ 16,920.63		\$ -		\$ -



Statement Period Date: 10/1/2015 - 10/31/2015

Account Type: Comm'l 53 Analyzed

Account Number: 7166385711

MICHIGAN MUNICIPAL SERVICES
 AUTHORITY
 PO BOX 12012
 LANSING MI 48901-2012



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Banking Center: Grand Rapids
 Banking Center Phone: 616-653-5440
 Commercial Client Services: 866-475-0729

4664

Account Summary - 7166385711

10/01	Beginning Balance	\$451,970.02	Number of Days in Period	31
	Checks			
11	Withdrawals / Debits	\$(52,059.68)		
2	Deposits / Credits	\$107,252.96		
10/31	Ending Balance	\$507,163.30		

Withdrawals / Debits 11 items totaling \$52,059.68

Date	Amount	Description
10/06	200.00 ✓	Michigan Municip CASH DISB 4616288140 100615 OFFSET TRANSACTION
10/06	1,133.47 ✓	Michigan Municip CREDITS 4616288140 100615 OFFSET TRANSACTION
10/06	3,608.35 ✓	Michigan Municip CREDITS 4616288140 100615 OFFSET TRANSACTION
10/07	5,284.26 ✓	MICHIGAN MUNICIP CSI PAYROLL PAYROLL MICHIGAN MUNICIPAL SER 100715
10/13	108.36 ✓	SERVICE CHARGE
10/15	3,798.05 ✓	IRS USATAXPYMT 270568891150406 MICHIGAN MUNICIPAL SER 101515
10/20	15,000.00 ✓	Michigan Municip PAYMENTS 4616288140 102015 OFFSET TRANSACTION
10/20	16,007.50 ✓	Michigan Municip PAYMENTS 4616288140 102015 OFFSET TRANSACTION
10/21	5,284.24 ✓	MICHIGAN MUNICIP CSI PAYROLL PAYROLL MICHIGAN MUNICIPAL SER 102115
10/27	1,593.45 ✓	Michigan Municip PAYMENTS 4616288140 102715 OFFSET TRANSACTION
10/30	42.00 ✓	IRS USATAXPYMT 270570325379047 MICHIGAN MUNICIPAL SER 103015

Deposits / Credits 2 items totaling \$107,252.96

Date	Amount	Description
10/14	75,818.86	INCOMING WIRE TRANS 101415
10/20	31,434.10	SOM MAIN FACS PAYMENTS V03000598192201 MICHIGAN MUNICIPAL SER 102015

Daily Balance Summary

Date	Amount	Date	Amount	Date	Amount
10/06	447,028.20	10/14	517,454.44	10/21	508,798.75
10/07	441,743.94	10/15	513,656.39	10/27	507,205.30
10/13	441,635.58	10/20	514,082.99	10/30	507,163.30

Michigan Municipal Services Authority
Check Register

Check Number	Check Date	Payee	Amount
Payroll Checks			
5221	10/08/15	Robert J. Bruner Jr.	0.00
5222	10/08/15	Kristen A. Delaney	0.00
5223	10/22/15	Robert J. Bruner Jr.	0.00
5224	10/22/15	Kristen A. Delaney	0.00
			<u>0.00</u>
			0.00
Vendor Checks			
5217	10/08/15	EFTPS - FICA	3,798.05
5218	10/08/15	EFTPS - FUTA	42.00
5219	10/08/15	State of Michigan - UIA	341.55
5220	10/08/15	State of Michigan - WH	536.04
20151001	10/02/15	Robert J. Bruner Jr.	1,133.47
20151002	10/02/15	Robert J. Bruner Jr.	3,608.35
20151003	10/09/15	Michael A. Tawney & Co PC	200.00
20151004	10/23/15	Plante Moran	16,007.50
20151005	10/23/15	Segal Consulting	15,000.00
20151006	10/30/15	Dykema Gossett PLLC	1,593.45
			<u>42,260.41</u>
Total checks	14		Total <u>42,260.41</u>

FMS Program Update

MMSA Administrative Report

FMS Program Update



Program Management

- No issues identified during November 4 FMS Leadership meeting
- Q4 2015 CGAP grant report is due on January 29, 2016

Program Development

- Meeting with Genesee Intermediate School District on Wed, December 16
- Wayne County update expected in Q4 2015
- Lansing update expected in Q1 2016

FMS Program Update



Receivables

Annual

Grand Rapids: \$570,310 (paid)

Kent County: \$944,810 (paid)

Genesee County: \$973,810 (paid)

Treasury

- Used: \$212,282
- Remaining: \$188,718

Payables

Annual

CGI: \$533,000 (paid)

CGI: \$883,000 (paid)

CGI: \$912,000 (pending)

Munetrix: \$1,047 (paid)

Monthly

Plante Moran: \$ 16,007.50 paid through September 30, 2015

VHWM Program Update

MMSA Administrative Report

**City of Detroit Major Activities by Month
Segal Consulting**

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> • Work with BE to audit and prepare census and enrollment update data files for each retiree VEBA.



VHWM Project Update

Invoices

- August 2015: Invoice sent to the City of Detroit for payment on September 1, 2015. Payment was received by the MMSA on October 14, 2015.
- September 2015: Invoice sent to the City of Detroit for payment on October 1, 2015. Payment has not yet been made by the City.
- October 2015: Invoice sent to the City of Detroit for payment on November 2, 2015.

Call Center Update

- Call center staffing has been ramped up for open enrollment, which runs from November 2 – 20, 2015. Staffing levels for open enrollment are shown below:
 - 6 CSRs for four weeks in November
 - 4 CSRs for five weeks following open enrollment through December
 - 3 CSRs for four weeks through January
- Average wait times have increased from 2 to 5 minutes to 5 to 8 minutes for live calls due to approaching open enrollment. Wait times during open enrollment were 6:33 minutes for live calls, as of November 2, 2015.
- Staffing for the post-January period will be revisited after open enrollment closes and other options may be considered, including moving servicing to the general pool of customer service representatives.



VHWM Project Update

Scope Changes

- The City signed **Work Order #56** for Open Enrollment system updates and customer service support.
- **Work Order #52** for ACA eligibility tracking and reporting services was signed by the City on September 11, 2015. Currently, the City is not ready to meet the ACA tracking and reporting requirements and has selected Benefit Express to provide the reporting service for 2015 and tracking and reporting services in 2016. The cost for this service is capped at \$50,000 per year excluding mailing costs. BE has agreed to this pricing term.



VHWM Project Update

Other Potential Changes/Issues

- Annual open enrollment is underway for the City of Detroit Active employees. It will run from November 2 – 20, 2015. Open enrollment for pre-2015 retirees is being managed by their respective TPAs.
- Approximately 750 Water and Sewer employees will be transitioning from City of Detroit to the Great Lakes Water Authority (GLWA) effective January 1, 2016. Benefit Express and GLWA have confirmed that GLWA will continue to utilize the Benefit Express platform for benefits administration during the transition period. GLWA provided a census file of DWSD employees who were sent employment offers from GLWA. The final employee list for GLWA will likely not be finalized until after the City's open enrollment, so there may be some clean-up required for those who may have enrolled in both benefit plans. BE has confirmed they will handle this clean up.



VHWM Project Update

Retiree Transition Changes

- Open enrollment for pre-2015 City retirees is being managed by each Trust's TPA.
 - ABS is the TPA for Police and Fire retirees with open enrollment running from October 19, 2015 – November 8, 2015.
 - BeneSys is the TPA for General City retirees with open enrollment running from November 10, 2015 – November 29, 2015.
- Benefit Express has provided census and enrollment data files for both the General City and Police and Fire VEBA's in late September. Segal provided support with file auditing and clean-up. Police and Fire requested updated files of any enrollment changes by the end of October. These were provided on October 30, 2015. General City has asked for updates by the end of November.
- Segal continues to provide additional support in reviewing and resolving issues with the FlexPlan files due to data clean up required, allowing retroactive changes and the ability to report all retroactivity correctly. This has continued through the November 2015 files and will probably continue through the end of the year when this function is expected to fully transition to the pre-2015 retiree VEBA administrators.

VHWM Project Update

Next Steps - City of Detroit

- Reimburse retirees who hit the catastrophic cap for prescription drugs as indicated by the retiree settlement agreement. Initial data from HAP, BCN and BCBSM was received as of May 30, 2015, but the data received from BCBSM and BCN was incorrect. Corrections were requested. An updated report from BCN was received on June 19, 2015. It was reviewed by Segal and provided to the City on June 24, 2015. An updated report from BCBSM was received on July 28, 2015. Segal reviewed the report and sent feedback to the City on July 31, 2015. The process for reimbursing the affected retirees can now begin. The City has confirmed that impacted retirees will receive payment in their pension check. On October 28, 2015, the City requested that the data be split pre and post July 2014 due to new revenue codes being implemented. Segal is working on this update. A file with payment information is expected to be sent to pension in November.
- ACA Compliance and Reporting: Segal will work with BE and the City on ACA reporting and filing for 2015. Measurement and eligibility management will be implemented in 2016.



VHWM Project Update

Next Steps - City of Detroit

- Fully implement Ultipro payroll system file interfaces – Effective January 1, 2016, census (new hires, terminations, status changes) and payroll deductions are expected to be automated. Benefit Express will receive census files from Ultipro and provide deduction files to Ultipro. File layouts have been finalized for both files. A sample payroll file was provided to UltiPro by Benefit Express.
- Bob Bruner is currently attempting to schedule a meeting with Mike Hall, Director of Labor Relations, and Jeremiah Gross, Benefits Supervisor, to discuss the project to date and to see if there is a need for other services from the MMSA. In addition, John Hill, CFO for the City, has also requested a meeting with the MMSA. Bob Bruner is currently working on scheduling.



VHWM Project Update

Next Steps - City of Detroit

- City of Detroit eligibility system support services will expire at the end of 2016
- City of Detroit is implementing new payroll system, Ultipro, that also has an eligibility system component
- City of Detroit VEBA retirees (approximately 17,700 retirees) will be moving to their own independent eligibility administrators effective January 1, 2016
- Treasury contract revenue will end this year so the Authority will need to increase charges to cover costs

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VHWM Project Update

Next Steps – VHWM Pooled Health and Welfare Insurance Arrangement

- The MMSA met with Segal on May 6, 2015 to discuss the feasibility of a pooled health and welfare insurance arrangement for smaller public employers. Segal completed their initial analysis of the applicable Michigan legislation on pooling arrangements along with our recommendations on how to proceed. The analysis was provided to Bob Bruner on June 3, 2015.
- Bob Bruner and Steve Liedel met with Segal on July 30, 2015 to review and discuss Segal's analysis. Steve agreed that the MMSA has statutory authority to establish such a pool. Segal drafted a presentation with recommendations that was provided to the Authority Board on September 24, 2015. The Board approved moving forward with the project and requested that a financial model be developed to illustrate how a successful risk pool would operate. Segal is currently working on developing this model. It is expected to be completed in time to be presented at the December 10, 2015 Authority Board meeting.



VHWM Project Update

Segal Consulting Contract

- On September 10, 2012, the contract was originally awarded to KKP Consulting as the primary consulting firm and Moroni Fantin as the subcontractor.
- In 2013, KKP Consulting had to withdraw from the MMSA contract and Moroni Fantin became the primary consulting firm. A new contract was drafted and signed on August 10, 2013.
- In 2014, Moroni Fantin was purchased by Segal Consulting and an amendment was drafted to reflect Segal Consulting as the primary consulting firm with the same consultants along with additional resources including legal, actuarial and communications services.
- The MMSA amendment with Segal Consulting ended as of September 30, 2014.
- Bob Bruner, CEO of MMSA, and Rob Moroni, Senior Vice President at Segal Consulting, agreed to extend the terms of the current amendment to the end of 2015 and renegotiate new terms effective January 1, 2016.

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VHWM Project Update



- The proposed contract pricing terms include the following:

Tier	Description	Pricing Terms
Tier 1	Current City of Detroit eligibility system support	\$100 per hour with maximum monthly caps
Tier 2	New business services and projects <ul style="list-style-type: none">• VHWM risk pooling project	\$200 per hour with maximum monthly caps per new business project
Tier 3	Jointly marketed business <ul style="list-style-type: none">• MMSA personnel and resources are directly used to “make the sale” for Segal Consulting	TBD

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Michigan Municipal Services Authority

INDEPENDENT CONTRACTOR AGREEMENT FOR PROVISIONS OF SERVICES RELATING TO THE ESTABLISHMENT AND MAINTENANCE OF VIRTUAL HEALTH AND WELLNESS MARKETPLACE

This Agreement is made between the **Michigan Municipal Services Authority**, a Michigan public body corporate with a principal place of business at 430 West Allegan Street, Lansing, Michigan 48918 ("**Authority**"), and **Moroni Fantin, LLC**, a Michigan limited liability company with a principal place of business at 200 E. Long Lake Rd., Ste. 130, Bloomfield Hills, MI 48304 ("**Contractor**").

1. **Services Provided.** Contractor's special knowledge and skills relate to developing, establishing, and maintaining health benefit plan and insured welfare plan options for employees and Contractor will consult with and provide related services to Authority and employees or contractors of Authority on related matters as Authority requests. Contractor will perform the following specific services as requested by the Authority:
 - (a). Assist the Authority with the development, establishment and maintenance of an interactive, online marketplace to be known as the Virtual Health and Wellness Marketplace ("**VHWM**") to leverage the pooled purchasing power of multiple local units of government in Michigan, spread risk across a large number of participants, and streamline overall administrative practices, consistent with the description of the VHWM under Contract No. 271B320004 between the State of Michigan and Authority relating to shared services consolidation and the Virtual Health and Wellness Marketplace (attached as **Exhibit A**).
 - (b). Provide benefit plan and contribution strategies including for offering of health and welfare lines of coverage, including, but not limited to, medical, prescription, dental, vision, life, and disability coverage for employees of governmental agencies by or through Authority.
 - (c). Preparation of any necessary requests for proposals, and negotiating with providers on terms and conditions for provision of coverage.
 - (d). Prepare and release of a request for proposals for an enrollment and eligibility vendors to operationalize the VHWM.
 - (e). Investigate a Medicare prescription drug plan with a potential employer group waiver plan component for inclusion within the VHWM.
 - (f). Prepare and release a request for proposals for a subsidy administration vendor for any retiree stipends.
 - (g). Provide project management support for all implementations and open enrollment
 - (h). Provide monthly financial reporting.
 - (i). Assist with management of VHWM vendors.
 - (j). Provide other analysis, services requested, and representation of Authority relating to the development, establishment, maintenance, and expansion of the VHWM and related activities of Authority.
2. **Compensation.** In consideration for services performed by Contractor, Authority will pay Contractor \$100 per hour. Contractor will notify the Chief Executive Officer any time Contractor

reasonably believes Contractor compensation will exceed \$15,000 in any one month. Contractor will invoice Authority on a monthly basis for services performed by Contractor.

3. **Expenses and Materials.** Contractor is responsible for expenses incurred while providing services under this Agreement, including, but not limited to, license fees, memberships and dues; automobile and other travel expenses; meals and entertainment; insurance premiums; and telecommunications. Contractor will furnish all materials, equipment, and supplies used to provide services under this Agreement.
4. **Term.** This Agreement is effective when signed by Authority and Contractor and continues until September 30, 2014 ("Term"). This Agreement may be extended or renewed by written Agreement signed by both Authority and Contractor.
5. **Termination without Cause.** Authority may terminate this Agreement before the end of the Term without cause by providing written notice to Contractor not less than 30 days before the effective date of the termination. Contractor may terminate this Agreement before the end of the Term without cause by providing written notice to Authority not less than 30 days before the effective date of the termination.
6. **Termination for Cause.** With reasonable cause, Authority may terminate this Agreement immediately by giving written notice of termination to Contractor. With reasonable cause, Contractor may terminate this Agreement immediately by giving written notice of termination to Authority. As used in this Agreement, "reasonable cause" means a material violation of this Agreement or any act exposing another party to this Agreement to liability to third parties for personal injuries or damage to real or personal.
7. **Independent Contractor.** The parties agree that Contractor is an independent contractor, and Contractor is not and will not be deemed an employee of Authority. Both Authority and Contractor acknowledge and agree that Authority enters into this Agreement with reliance on Contractor's representation on its independent contractor status. As an independent contractor, Contractor agrees to and represents all of the following:
 - (a). Contractor may perform services for others during the term of this Agreement.
 - (b). Contractor has the sole right to control and direct the means, manner, and method for provision of services under this Agreement.
 - (c). Contractor has the right to perform the services under this Agreement at the place, location, and time determined by Contractor.
 - (d). Contractor has the right to hire assistants as subcontractors or to use employees to provide the services required by this Agreement. Any assistants, subcontractors, or employees hired or used by Contractor are not and will not be deemed an employee of Authority.
 - (e). Services under this Agreement will be performed by Contractor, or Contractor's employees or contract personnel, and Authority will not hire, supervise, or pay any assistants to help Contractor.
 - (f). Neither Contractor nor any employees or contract personnel of Contractor will receive any training from Authority in the professional skills necessary to perform services under this Agreement.
 - (g). Neither Contractor nor any employees or contract personnel of Contractor will be required by Authority to devote full time to the performance of the services required by this Agreement.
 - (h). Contractor does intend to receive the majority of its annual compensation from Authority.
8. **Contractor Responsibilities.** Contractor will provide services to Authority under this Agreement with reasonable skill and care in accordance with prevailing consulting industry standards for comparable services. Contractor will assist Authority in coordinating the work of others providing

services to Authority relating to the VHWM. Contractor does not provide legal, accountancy, or tax advice.

9. **Contractor Responsibilities.** Authority will provide Contractor with documentation and information required for Contractor to provide services under this Agreement. Contractor may rely on the information provided to Contractor as accurate and complete, and Contractor may rely upon any directions provided by Authority concerning the provision of services under this Agreement. Authority will assure that others providing services to Authority relating to the VHWM will cooperate with Contractor in the provision of the services.
10. **Regulatory Requirements.** Contractor will comply with applicable federal, state, and local laws, ordinances, and regulations applicable to services provided under this Agreement, including, but not limited to, any required permits, certificates, and licenses.
11. **State and Federal Taxes.** Contractor will pay all taxes incurred while providing services under this Agreement, including, but not limited to, income taxes and, if Contractor is not a corporation, self-employment taxes (for Social Security and Medicare). Contractor will provide Authority with proof of tax payments when requested by Authority. Authority will not do any of the following:
 - (a). Federal Insurance Contribution Act ("FICA") taxes from Contractor's payments or make FICA payments (for Social Security and Medicare) on Contractor's behalf.
 - (b). Make state or federal unemployment compensation contributions on Contractor's behalf, or withhold state or federal income tax from Contractor's payments.
12. **Benefits.** Neither Contractor nor any employees or contract personnel of Contractor are eligible to participate in any employee pension, health, vacation pay, sick pay, or other benefit plan of Authority.
13. **Unemployment Compensation.** Authority will make no state or federal unemployment compensation payments on behalf of Contractor or any employees or contract personnel of Contractor. Contractor will not be entitled to unemployment compensation benefits in connection with services provided under this Agreement. If Contractor files a petition for and receives unemployment compensation, the total amount of unemployment compensation awarded to and received by Contractor will be deducted from and be an offset against the amount of compensation due and payable to Contractor by Authority under this Agreement. As required by law, if Contractor hires an employee to perform any work under this Agreement, Contractor will make any required state or federal unemployment compensation payments for the employee and provide Authority with proof of payment.
14. **Noncompetition.** During the term of this Agreement, Contractor will not, directly or indirectly, engage or participate in any business or activity that competes with the activities of the Authority.
15. **Proprietary or Confidential Information.** Contractor will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of Authority without Authority's prior written permission except to the extent necessary to perform services on Authority's behalf or to comply with applicable law. Authority will protect and preserve any proprietary or confidential information that Contractor provides to Authority and identifies as proprietary and confidential information as if it was its proprietary or confidential information except to the extent necessary for activities of Authority or to comply with applicable law. Contractor will take appropriate technical and organizational measures to protect that proprietary or confidential information against accidental or unlawful destruction or accidental loss or unauthorized alteration, disclosure or access. Proprietary or confidential information includes, without limitation, all of the following:

- (a). Written, printed, graphic, or electronic materials furnished by Authority for use by Contractor.
 - (b). Business plans, customer lists, operating procedures, trade secrets, design formulas, know-how and processes, computer programs and inventories, discoveries, and improvements of any kind.
 - (c). Information belonging to customers, contractors, and suppliers of Authority of which Contractor gained knowledge through provision of services to Authority. Contractor is not restricted in using information or material that is publicly available, in Contractor's possession or known to Contractor before this Agreement, or that is obtained rightfully by Contractor from sources other than Authority. Upon termination of Contractor's services to Authority, or at Authority's request, Contractor will deliver to Authority all materials in Contractor's possession relating to Authority's activities.
16. **Protected Information.** Contractor will comply with any applicable terms and conditions of an agreement between Authority and a third party relating to compliance by Authority or Contractor with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and associated federal regulations ("**HIPAA Regulations**"). Contractor acknowledges that general compliance with HIPAA Regulations may not be sufficient for the release of individually identifiable information pertaining to certain sensitive health conditions subject to state privacy laws, including but not limited to, HIV/AIDS, mental health, mental retardation, genetic information, drug and alcohol abuse, and in some instances sexually transmitted diseases. Contractor will not disclose protected health information under HIPAA Regulations that identifies a sensitive health condition until appropriate authorization or consents is obtained to the extent required under applicable laws and regulations. Contractor will comply with the Business Associate Agreement between Authority and the City of Detroit (attached as **Exhibit B**)
17. **Work Product.** Authority retains ownership of all data and materials owned by Authority and provided to Contractor. Authority will own any report, advice, opinion or information that Contractor provides to Authority under this Agreement ("**Work Product**"). Except as otherwise provided in this Agreement, Contractor will retain any intellectual property rights in the Work Product, and the skills, know-how, or methodologies used or acquired by Contractor during the course of providing services under this Agreement. Authority is entitled to use, copy and, distribute Work Product for its internal activities.
18. **Inventions and Patents.** Contractor will promptly and fully inform and disclose to Authority all inventions, designs, improvements, and discoveries that Contractor has during the term of this Agreement that pertain or relate to the activities of Authority or to any experimental work carried on by Authority, whether conceived by Contractor alone or with others and whether or not conceived while providing services to Authority. The inventions, designs, improvements, and discoveries will be the exclusive property of Authority. Contractor will assist Authority, at Authority's expense, to obtain patents on the inventions, designs, improvements, and discoveries deemed patentable by Authority and will execute all documents and do all things necessary to obtain letters patent, vest Authority with full and exclusive title, and protect against infringement by others. Contractor is entitled to no additional compensation for inventions or designs made during the course of this Agreement.
19. **Copyrights.** Contractor assigns any copyright interest in a work arising from Contractor's provision of services under this Agreement, including but not limited to, plans, designs, and software. Contractor also will cooperate in obtaining registration in the name of Authority for any work created, including, but not limited to, a compilation, a derivative work, or a work of original creation. If a work of creation is considered a work for hire, Contractor conveys any title to the work to the Authority.

20. **State Contract Compliance.** Contractor will comply with requirements applicable to Authority and Contractor, under Contract No. 271B320004 between the State of Michigan and Authority relating to shared services consolidation and the Virtual Health and Wellness Marketplace.
21. **Indemnity.** Contractor, as an independent contractor, agrees to indemnify, defend, and hold harmless Authority from any and all liability arising out of or in any way related to Contractor's provision of services under this Agreement, including, but not limited to, any liability resulting from intentional or reckless acts or the acts of any employees or agents of Contractor.
22. **No Partnership.** This Agreement does not create a partnership relationship. Contractor has no authority to enter into contracts on behalf of Authority.
23. **Assignment and Delegation.** Contractor may not assign or subcontract any rights or obligations under this Agreement without prior written approval by Authority.
24. **Exclusive Agreement.** This Agreement is the entire agreement between Contractor and Authority any other oral or written agreements or policies on the same subject.
25. **Modification and Waiver.** This Agreement may be modified only by a written agreement approved and signed by both Authority and Contractor. A waiver of a breach of this Agreement is not a waiver of any later breach.
26. **Applicable Law.** This Agreement is governed by and will be construed under the laws of the United States of America and the State of Michigan.
27. **Severability.** If a provision of this Agreement is invalid or otherwise unenforceable, the remainder of the Agreement is unaffected and enforceable to the fullest extent permitted by law.
28. **Dispute Resolution.** Disputes, controversies, or claims arising out of or in connection with or relating to this Agreement, or any breach or alleged breach of this Agreement, and any claim that Authority violated any state or federal statutes, common-law doctrine, or committed any tort relating to Contractor will, at the request of Authority or Contractor, be submitted to and settled by arbitration in the State of Michigan under the rules of the American Arbitration Association. This agreement to arbitrate is specifically enforceable under prevailing arbitration law. Notice of a demand for arbitration must be filed, in writing, with the other party to this Agreement within a reasonable time after the claim, dispute, or other matter in question arose where the party asserting the claim should reasonably have been aware of it, but not later than the applicable statute of limitations. The cost of arbitration will be shared equally by Authority and Contractor, but each party will pay the cost of its respective experts, evidence, and attorney fees. Judgment on an arbitration award may be entered in any court with jurisdiction.
29. **Notices.** All notice or other communications required or permitted under this Agreement will be in writing and will be (a) personally delivered; (b) sent by registered or certified mail, postage prepaid, return receipt requested; or (c) sent by an overnight express courier service that provides written confirmation of delivery with a signature. Each notice or other communication is deemed given, delivered, and received upon actual receipt, except for a notice or other communication sent by registered or certified mail, which is deemed given, delivered, and received on the delivery date or the date of refusal of delivery, as documented by the United States Postal Service. Notice to Authority will be provided at:

Thomas R. Curran,
Chief Executive Officer
Michigan Municipal Services Authority
430 West Allegan Street
Lansing, Michigan 48918

(616) 340-2780

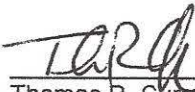
Authority may notify Contractor in writing of any change in the address of Authority for provision of notice to Authority.

Robert D. Moroni
Managing Partner
Moroni Fantin, LLC
200 E. Long Lake Rd., Ste. 130
Bloomfield Hills, MI 48304
(313) 218-3224

Contractor may notify Authority in writing of any change in the address of Contractor for provision of notice to Contractor.

This Agreement is entered into by Authority and Contractor on dates indicated below:

MICHIGAN MUNICIPAL SERVICES AUTHORITY

By: 
Thomas R. Curran,
Chief Executive Officer

Date: 8-10-13

MORONI FANTIN, LLC

By: 
Robert D. Moroni,
Managing Partner

Date: 8/10/13

Contractor Taxpayer Identification Number: 26-2917444

MMSA

Michigan Municipal Services Authority

July 10, 2014

Robert D. Moroni
Senior Vice President
The Segal Group
200 East Long Lake Road, Suite 130
Bloomfield Hills, MI 48304

Dear Rob:

This purpose of this letter of intent is to document how the Michigan Municipal Services Authority ("MMSA") and The Segal Company (Midwest), Inc. ("Segal") intend to proceed regarding the independent contractor agreement between the MMSA and Moroni Fantin, LLC ("Agreement"), dated August 10, 2013.

1. The Agreement will be amended with an effective date of January 2, 2014 to replace Moroni Fantin, LLC ("Moroni") with Segal as a party to the agreement and update notice provisions and the applicable taxpayer identification number ("First Amendment").
2. After the First Amendment is signed, MMSA and Segal intend to negotiate and execute a second amendment to the Agreement that: (a) reflects an expansion to the scope of work and a corresponding increase in compensation payable to Segal in a manner acceptable to both MMSA and Segal; and (b) provides for Segal to assume any obligations of Moroni under the Agreement not otherwise satisfied by Moroni or its applicable insurance coverage, or both.

If this letter correctly reflects your understanding of the intent of the MMSA and Segal, please sign a copy of this letter in the space provided below and return it to Steven Liedel at sliedel@dykema.com.

Sincerely,

MICHIGAN MUNICIPAL SERVICES CORPORATION

By: 

Stacie Behler
Chairperson

Agreed to on July 10, 2014:

THE SEGAL COMPANY (MIDWEST), INC.

By: 

Robert D. Moroni
Senior Vice President

**FIRST AMENDMENT TO THE INDEPENDENT CONTRACTOR AGREEMENT FOR
PROVISION OF SERVICES RELATING TO THE ESTABLISHMENT AND MAINTENANCE OF
VIRTUAL HEALTH AND WELLNESS MARKETPLACE**

THIS AMENDMENT ("**Amendment**") to the Independent Contractor Agreement for Provision of Services Relating to the Establishment and Maintenance of Virtual Health And Wellness Marketplace between the Michigan Municipal Services Authority, a Michigan public body corporate with a principal place of business at 430 West Allegan Street, Lansing, Michigan 48918 ("**Authority**") and Moroni Fantin, LLC, a Michigan limited liability company, with a principal place of business at 200 E. Long Lake Road, Ste 310, Bloomfield Hills, Michigan 48304 ("**Contractor**"), effective as of August 10, 2013 ("**Agreement**") is incorporated into the Agreement by this reference as if fully set forth therein. All capitalized terms used herein, which are not defined herein shall have the definition as set forth in the Agreement.

WHEREAS, Contractor seeks permission from the Authority to assign the Agreement to The Segal Company (Midwest), Inc. ("**Segal**") and the Authority wishes to grant that permission;

WHEREAS, Contractor and Segal seek to amend the Agreement to reflect the assignment to Segal; and

THEREFORE, the Authority and the Contractor agree to amend the Agreement as follows:

1. The first paragraph of the Agreement is amended to read as follows: "This Agreement is made between the **Michigan Municipal Services Authority**, a Michigan public body corporate with a principal place of business at 430 West Allegan Street, Lansing, Michigan 48918 ("**Authority**") and **The Segal Company (Midwest), Inc.**, a Illinois Corporation with a principal place of business at 101 N. Wacker Drive, Suite 500, Chicago, IL 60606 ("**Contractor**")."

2. Section 29 of the Agreement regarding notice to the Authority is amended so that notice shall be provided to:

Chief Executive Officer
Michigan Municipal Services Authority
430 West Allegan Street
Lansing, Michigan 48918

With a copy to:

Steven C. Liedel
Dykema
201 S. Townsend St., Ste 900.
Lansing, MI 48933

3. Section 29 of the Agreement regarding notice to the Contractor is amended so that notice shall be provided to:

Robert D. Moroni
Senior Vice President
The Segal Group
200 East Long Lake Road, Suite 130
Bloomfield Hills, MI 48304

With a copy to:

General Counsel

The Segal Group
333 West 34th Street
New York, NY 10001

4 The reference to Contractor's Taxpayer Identification Number below the signature line of the Agreement is amended to read: 13-1975125

5. This Amendment shall be effective as of January 2, 2014.

6. Except as amended herein, all other terms and conditions in the Agreement shall remain in full force and effect and be binding upon the parties. This Agreement, as amended by this Amendment, sets forth the entire understanding between the parties as to the subject matter of the Agreement and this Amendment and supersedes any prior written or verbal statements, representations, and agreements concerning the subject matter, with the exception of any letter of intent executed by the parties relating to this Amendment and a potential second amendment of the Agreement. To the extent there is a conflict between this Amendment and the Agreement, the terms of this Amendment shall govern.

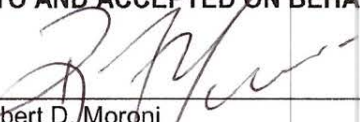
An authorized representative of each party has executed this Amendment as set forth below.

AGREED TO AND ACCEPTED ON BEHALF OF MICHIGAN MUNICIPAL SERVICES AUTHORITY

By: 
Stacie Behler
Chairperson

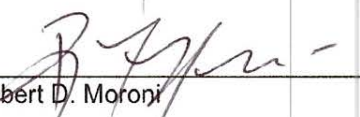
Date: 7-10-14

AGREED TO AND ACCEPTED ON BEHALF OF THE SEGAL COMPANY (MIDWEST), INC.

By: 
Robert D. Moroni
Senior Vice President

Date: 7/12/14

AGREED TO AND ACCEPTED ON BEHALF OF MORONI FANTIN, LLC.

By: 
Robert D. Moroni

Date: 7/12/14

Program Development Update

MMSA Administrative Report

Program Development Update



September

- City of Livonia meeting
- Oakland County City Managers Association meeting
- Wellness center conference calls
- Genesee County fleet management meeting

Program Development Update



September (continued)

- Michigan Government Management Information Sciences (Mi-GMIS) Fall Conference
- Michigan Municipal League (MML) Annual Convention
- Michigan Association of Counties (MAC) Annual Conference
- International City/County Management Association (ICMA) Annual Conference

Program Development Update



October

- Michigan Association of Counties meeting
- Municipal Employees' Retirement System meeting
- Michigan Association of Planning (MAP) Annual Conference
- Oakland County City Managers Association meeting
- Older Persons' Commission meeting
- Kalamazoo equipment and service sharing meeting

Program Development Update



October (continued)

- Assessing and equalization conference calls
- City of Pontiac meeting
- Learning Management System (LMS) conference call
- Flint & Genesee Chamber of Commerce meeting
- Monroe County meeting
- ASR Health Benefits meeting

Program Development Update



Equipment and Service Sharing

- I have prepared an RFP for equipment sharing software
- Calhoun County, Kalamazoo, and Comstock Township have all agreed to participate in the evaluation
- We met on Fri, October 23 and plan to issue an RFP in November

Fleet Management

- The Authority and Enterprise Fleet Management have met with Genesee County, Grand Rapids, and Kent County
- I plan to meet with Enterprise Fleet Management again on Tue, November 17 to discuss their interest in establishing a program with the Authority

Program Development Update



Assessing and Equalization

- Shortage of certified assessors
- Services are easily contracted-out and/or shared

Learning Management System (LMS)

- LMS is a software application for the administration, documentation, tracking, reporting and delivery of electronic educational technology (also called e-learning) courses or training program

Program Development Update



Recruitment and Selection

- The recession is over and public agencies are hiring but the process is burdensome for smaller agencies without dedicated human resources professionals
- Private sector business models may be transferable to the public sector

Kent County Code Inspections

- Shortage of registered Building Officials, Building Inspectors, Electrical Inspectors, Mechanical Inspectors, and Plumbing Inspectors
- Services are easily contracted-out and/or shared

City of Detroit Major Activities by Month Segal Consulting

Project Scope: The original scope of the MMSA/City of Detroit project included the implementation of an online enrollment and eligibility system for ongoing use and the implementation of a customer service call center for the active and retiree open enrollment period, originally scheduled for November 2013 for both groups. The items in **bold** below indicate tasks that fall outside of the original project scope due to changes made by the City of Detroit. Some of these changes also resulted in additional programming by Benefit Express, which are managed through work orders. These work orders are also shown in **bold**.

These out of scope changes include the following:

1. The effective date for retiree benefits moved from 01/01/14 to 03/01/14 creating a requirement for a second open enrollment period. The second enrollment period extended the overall timeframe of support required by the Segal team due to planning and project management support, communication/data/system updates, support at retiree enrollment sessions, and our ongoing support of the call center.
2. The City's bankruptcy proceedings produced a settlement agreement that created the requirement for a third open enrollment period. The third enrollment period has further extended the overall timeframe of support required by the Segal team due to planning and project management support, communication/data/system updates, retention and support of a document verification vendor, and our ongoing support of the call center.
3. Complexities in the data needs of the City that were unforeseen at the outset of the project have also extended the timeframe for support required by the Segal team. The City moved from a completely manual benefits administration process to an automated enrollment system. As such, there are multiple factors that require ongoing tracking and support by the Segal team. For example, the City has a number of retirees who return to work as active employees. Per the City's eligibility rules, these people are eligible for benefits as an active employee and as a retiree. As such, they are currently set up with two accounts in Benefit Express. This causes inaccuracies from an audit perspective and may require additional programming to resolve.

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
August 2013	\$15,000	150	<ul style="list-style-type: none"> • Online enrollment and eligibility vendor/customer service vendor review and negotiation • Benefit Express selected as vendor for both online enrollment/eligibility and customer service
September 2013	\$15,000	307	<ul style="list-style-type: none"> • Implementation of Benefit Express enrollment/eligibility system and call center begins • Implementation kick-off meetings/calls held with all carriers • Developed and edited retiree and active employee benefit communications • Twice weekly implementation/status calls with Benefit Express, City of Detroit and Segal begin
October 2013	\$15,000	345	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Benefit Express enrollment site development <ul style="list-style-type: none"> ○ Data requests from carriers ○ Data requests from City of Detroit ○ Finalize carrier group structures ○ Finalize and test enrollment site ○ Added retiree paid dental and vision plans (7,200 non-Medicare retirees are provided a benefit where enrollment services must be provided) ○ Work Order #6 – 10/23/2013: Add optional life

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<p>and AD&D coverage selection to the active open enrollment windows. Not included in original programming request.</p> <ul style="list-style-type: none"> • Retiree informational meetings held – provided overview of new online system <ul style="list-style-type: none"> ○ 12 sessions were held at the City of Detroit main office and at Macomb Community College
November 2013	\$15,000	323	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Retiree open enrollment is postponed until 3/1/2014 • Active employee open enrollment begins • Assisted with responses to call center questions and escalations • Develop monthly invoice and assist with work order processing • Active employee enrollment sessions held <ul style="list-style-type: none"> ○ 15 sessions were held at multiple City of Detroit work locations for active employees to receive one on one assistance with enrollment on the new site. • Work Order #7A- 11/4/2013: Last minute system changes for open enrollment; includes retirement status code updates, BCBSM/CMS compliance updates, and changes to the retiree HAP Rx only plan. • Work Order #8 – 11/5/2013: Additional ports required for toll-free phone line. Call volumes were 2.5 times higher than anticipated and caused the phone line to fail. Benefit Express had to add additional phone line ports in order to properly manage the call volume. • Work Order #12 – 11/20/2013: Extension of the active open enrollment period to 11/22/2013. • Work Order #13 – 11/21/2013: Extending call center support for 10 weeks. Added due to continued high call volume. • Work Order #15 – 11/25/2013: Hiring six additional customer service reps for 4 weeks due to higher than expected call volume. • Work Order #18 – 11/24/2013: Adding semi-monthly and monthly payroll schedules. These payroll schedules were not provided during system set-up.
December 2013	\$15,000	273	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Data clean-up from active open enrollment • Assisted with responses to call center questions and escalations. The call center was originally intended

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<p>to be open only during the first enrollment period in November 2013. With the effective date change for retiree benefits, the call center continues to remain open and requires our ongoing support.</p> <ul style="list-style-type: none"> • Planning for retiree open enrollment begins • Developed and edited new retiree benefit communications for 3/1/2014 effective date. • Secured new vendor for printing and mailing of retiree benefit communication, as the usual vendor was not able to accommodate the request over the holidays. • Develop monthly invoice and assist with work order processing • Work Order #14 – 12/2/2013: Change opt-out credit for active employees from \$900 to \$950. The original calculation of the opt-out credit was incorrect. The change was made post-enrollment and applied to all affected records. • Work Order #19 – 12/6/2013: Leave administration set-up, which includes two additional rate discriminators not originally included. • Work Order #22 – 12/19/2013: Retiree open enrollment changes for new 3/1/2014 effective date.
January 2014	\$15,000	282.75	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Active benefits are effective 1/1/2014 • Data clean-up from active open enrollment continues • Develop monthly invoice and assist with work order processing • Maintain open and closed items logs • Assisted with responses to call center questions and escalations. The call center was originally intended to be open only during the first enrollment period in November 2013. With the effective date change for retiree benefits, the call center continues to remain open and requires our ongoing support. • Coordinated and scheduled COD and Segal on-site representation for retiree enrollment sessions with BCBSM and HAP • Provided BCBSM and HAP representatives training on the Benefit Express enrollment site. • Provided on-site assistance with retiree enrollment sessions <ul style="list-style-type: none"> ○ 41 sessions were held across the City for retirees to receive one on one assistance with their enrollment in a City sponsored or individual plan. • Finalized and tested enrollment site for retiree

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<p>enrollment</p> <ul style="list-style-type: none"> • Retiree open enrollment begins
February 2014	\$15,000	246.75	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Data clean up from retiree open enrollment. • Data clean up from active open enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis. • Assisted with responses to call center questions and escalations. The call center was originally intended to be open only during the first enrollment period in November 2013. With the effective date change for retiree benefits, the call center continues to remain open and requires our ongoing support. • Develop monthly invoice and assist with work order processing • Work Order #28 –2/12/2014: Extension of 12 customer service reps through 3/28/2014.
March 2014	\$15,000	181	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express and the City of Detroit • Maintain open and closed items logs • Retiree benefits are effective 3/1/2014 • Data clean up from retiree open enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis • Data clean up from active open enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis • Assisted with responses to call center questions and escalations. The call center was originally intended to be open only during the first enrollment period in November 2013. With the effective date change for retiree benefits, the call center continues to remain open and requires our ongoing support. • Developed weekly MAPD file reconciliation process • BCBSM MAPD file reconciliation for managing deceased retirees/surviving spouses requires additional programming of the Benefit Express system • Planning for special enrollment period for retiree settlement changes begins for benefits effective 8/1/2014. • Work Order #29 – 3/4/2014: System set-up for special enrollment period for retiree settlement changes.

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> • Work Order #32 – 3/18/2014: Add system option for benefits effective date of hire and/or file processing option for ad-hoc benefit effective dates. • Develop monthly invoice and assist with work order processing
April 2014	\$15,000	263	<ul style="list-style-type: none"> • Twice weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Planning for special enrollment period for retiree settlement changes continues • Retiree settlement agreement requires document verification for implementation of stipend changes. Hodges Mace selected as the vendor for this process. • Implementation activity with verification vendor begins • Assisted with responses to call center questions and escalations. The call center was originally intended to be open only during the first enrollment period in November 2013. With the effective date change for retiree benefits, the call center continues to remain open and requires our ongoing support. • Prepare data updates for Benefit Express system for special enrollment period. • Data clean up from retiree open enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis • Work Order #34 – BCBSM MAPD File Reconciliation/Retiree Death Processing – 04/15/2014 • Develop monthly invoice and assist with work order processing
May 2014	\$15,000	260.25	<ul style="list-style-type: none"> • Weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Draft and edit communication material for retirees regarding special enrollment period and verification process. Develop mailing lists for enrollment communication and verification process. • Prepare data updates for Benefit Express system for special enrollment period. • Assist with responses to call center questions and escalations. The call center was originally intended to be open only during the first enrollment period in November 2013. With the effective date change for retiree benefits, the call center continues to remain

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<p>open and requires our ongoing support.</p> <ul style="list-style-type: none"> • Data clean up from original retiree open enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis • Work Order #37 – Amendment to Work Order #29 – Fees due to late rates received, additional field required on stipend export file, payroll data updates for active employees – 05/16/14 • Work Order #38 - Transfer EMS to General City Benefits – 05/16/14 • Develop monthly invoice and assist with work order processing
June 2014	\$15,000	191.25	<ul style="list-style-type: none"> • Weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Finalize and test enrollment site for special enrollment period • Special enrollment period held from 06/09/14 – 06/20/14. • Retiree stipend verification process held from 05/23/14 (date of notification) – 06/23/14. • Data clean-up from special enrollment period and stipend verification project begins • Data clean-up from active and retiree enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis • Assist with responses to call center questions and escalations. The call center was originally intended to be open only during the first enrollment period in November 2013. With the addition of this second retiree open enrollment, the call center continues to remain open and requires our ongoing support. • Develop monthly invoice and assist with work order processing
July 2014	\$15,000	152	<ul style="list-style-type: none"> • Weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Data clean-up from special enrollment period and stipend verification project continues • Data clean up from retiree enrollment continues. Some of these issues are more complex than originally anticipated which requires us track them on an ongoing basis • Assist with responses to call center questions and escalations. The call center was originally intended

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<p>to be open only during the first enrollment period in November 2013. With the addition of this second retiree open enrollment, the call center continues to remain open and requires our ongoing support.</p> <ul style="list-style-type: none"> • Create stipend file to load to Benefit Express • Create stipend file to load to pension and Flex-Plan that includes retroactive stipends • Assist with finalizing contract between MMSA and the City of Detroit • Develop monthly invoice and assist with work order processing
August 2014	\$15,000	168.75	<ul style="list-style-type: none"> • Weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Benefits from special enrollment period effective 8/1/2014. • Begin planning for active and retiree open enrollment, tentatively scheduled for 11/10/2014 – 11/21/2014 (e.g. finalize rates, plans, other changes) • Negotiate new pricing terms with Benefit Express for the transition of the retirees to standalone VEBA administrators. • Data clean up from special enrollment period continues • Assist with responses to call center questions and escalations. • Develop monthly invoice and assist with work order processing
September 2014	\$15,000	172.50	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Continue planning for active and retiree open enrollment, tentatively scheduled for 11/10/2014 – 11/21/2014 • Training for COD Benefits Administration staff on ongoing processing in the Benefit Express system • Assist with documenting work order necessary for active and retiree open enrollment site changes • Draft and edit communication material and mailing lists for active and retiree open enrollment • Assist with responses to call center questions and escalations. • Coordinate with carriers on open enrollment material needed – SBCs, EOCs, benefit summaries, rates, etc. • Data updates for Benefit Express site for active and retiree open enrollment. • Develop monthly invoice and assist with work order

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> processing • Finalize pricing terms with Benefit Express for the transition of the retirees to standalone VEBA administrators • Develop MMSA project budget estimates for 2014, 2015 and 2016 plan years • Work Order #40 – BCN MAPD File Reconciliation/Retiree Death Processing • Work Order #41 – Manual Employee Data Update Hourly Charges (Ongoing)
October 2014	\$35,000	232.50	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Review and finalize work order for active and retiree open enrollment changes – Work Order #42 – 2015 Annual Enrollment Changes • Coordinate with carriers on open enrollment material needed – SBCs, EOCs, benefit summaries, rates, etc. • Set schedule for in-person open enrollment meetings for actives and retirees, coordinate with carriers on additional support needed, and conduct enrollment training with carriers, if needed • Finalize and test enrollment site • Assist with responses to call center questions and escalations. • Develop monthly invoice and assist with work order processing • Finalize contract between MMSA and COD and MMSA and Benefit Express • Begin planning for retiree transition to two separate VEBA administrators tentatively set for 04/01/15
November 2014	\$35,000	150.50	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Active and retiree open enrollment begins – 11/10/2014 – 11/21/2014 • Work Order #43 - Extend open enrollment by nine days to 11/30/14 • Assist with responses to call center questions and escalations. • Develop monthly invoice and assist with work order processing • Finalize contract between MMSA and Benefit Express • Continue planning for retiree transition to two separate VEBA administrators effective 04/01/15
December 2014	\$35,000	151.75	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree open enrollment data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice and assist with work order processing • Work Order #44 - Update active Heritage Vision rates and contributions • Add new “active” plan for non-Medicare police and fire surviving spouses and children and conduct another open enrollment • Continue planning for retiree transition to two separate VEBA administrators effective 04/01/15
January 2015	\$15,000	153.25	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree open enrollment and ongoing data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice and assist with work order processing • Work Order #45 – Update to allow Medicare-eligible, duty disabled retirees to add dependents to dental and vision coverage • Work Order #46 - Update to add Medicare information to retiree dental segments on BCBSM eligibility file • Work Order #47 – Update BPIDs/group structure for BCBSM active eligibility file • Add new “active” plan for non-Medicare police and fire surviving spouses and children and conduct another open enrollment. (Note – an additional open enrollment period was not necessary. This was a closed group of employees. Benefit changes were implemented for this group only). • Continue planning for retiree transition to two separate VEBA administrators effective 04/01/15
February 2015	\$9,275	92.75	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree open enrollment and ongoing data clean –up. • Assist with responses to call center questions and escalations

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> • Develop monthly invoice, run corresponding census report and assist with work order processing • Work Order #48 – Update to implement tracking for special classes of employees and implement a “waive” option for retiree medical coverage. Also to include an import file to fill in the new fields for the special classes as well as updating other data fields (married to another employee (duplicate SSN issue resolution), union local no, second address, etc.). • Continue planning for retiree transition to two separate VEBA administrators effective 04/01/15 • Create eligibility and other data files for new VEBA administrators. The VEBAs began requesting data from Benefit Express in February 2015. This process is currently being reviewed and refined.
March 2015	\$15,000	184.50	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree open enrollment and ongoing data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Continue planning for retiree transition to two separate VEBA administrators effective 04/01/15 • Create eligibility and other data files for new VEBA administrators. The VEBAs began requesting data from Benefit Express in February 2015. The City was provided with data and will coordinate all future data requests • Work Order #49 – VEBA Transition Updates: Create new HRA plan to replace current stipend plan, update group structures for carriers where needed, and update 834 files where needed. Develop communication outlining the change for affected retirees • Create production file for FlexPlan for new HRA plan • Review duplicate SSN report, document necessary changes and provide data to clean up some of the duplicates (Work Order #48 import file)
April 2015	\$12,225	122.25	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			escalations <ul style="list-style-type: none"> • Develop monthly invoice, run corresponding census report and assist with work order processing • Coordinate with carriers (BCBSM, BCN, HAP, BCBSM dental, Golden Dental and Heritage Vision) to provide split billing to accommodate both VEBAs • Review and document Audit #25 report to clean –up benefit class effective date issues • Review and document discrepancies between April and May FlexPlan production files • Work Order #50 – Update BCN MAPD eligibility file to add retiree’s phone number • Assist with cleaning-up weekly audit reports from Benefit Express • Continue planning for retiree transition to two separate VEBA administrators effective 04/01/15
May 2015	\$15,000	170.75	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Review and document discrepancies between May and June FlexPlan production files • Provide information to City of Detroit benefits manager on ACA hours tracking and reporting vendors; assist with scheduling demos of various systems • Provide coordination assistance between Benefit Express and the City for the implementation of the new Ultipro payroll/HRIS system. • Work Order #51 – Provide Medicare Advantage enrollment calls for BCBSM/BCN on a quarterly basis for auditing purposes • Coordinate with BCBSM dental to provide split billing to accommodate both VEBAs • Provide training to staff to clean–up benefit class effective date issues (Audit #25 report) • Develop import file (Work Order #48) to include married/dependent of another employee indicator with corresponding SSN, retiree special tracking classes indicator, pre-2015 retiree indicator, address corrections, union local number corrections • Assist with cleaning-up weekly audit reports from Benefit Express

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			(Note that additional hours in May were billed for other Segal staff members for the analysis and development for a proposed pooling arrangement for the VHWM, which does not apply to the City.)
June 2015	\$11,025.00	110.25	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Review and document discrepancies between June and July FlexPlan production files • Provide information to City of Detroit benefits manager on ACA hours tracking and reporting vendors; assist with scheduling demos of various systems. BE has provided Work Order #52, if the City would like to use their ACA tracking and reporting capabilities. • Work Order #53 - Provide coordination assistance between Benefit Express and the City for the implementation of the new Ultipro payroll/HRIS system • Coordinate with BCBSM dental to provide split billing to accommodate both VEBAs • Begin review and update of active enrollment guides for the next open enrollment period • Assist with cleaning-up weekly audit reports from Benefit Express • Analyze catastrophic drug claim reports for retirees to determine reimbursement amounts (part of the settlement agreement).
July 2015	\$14,200	142	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Review and document discrepancies between July and August FlexPlan production files • Work Order #53 - Provide coordination assistance between Benefit Express and the City for the

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<p>implementation of the new Ultipro payroll/HRIS system.</p> <ul style="list-style-type: none"> • Maintain separate meeting minutes for the UltiPro project • Work Order #54 – System upgrade to add same-gender spouses to coverage • Review data requests from police and fire retiree VEBA actuary • Continue to review and update the active enrollment guides for the next open enrollment period • Assist with cleaning-up weekly audit reports from Benefit Express • Analyze catastrophic drug claim reports for retirees to determine reimbursement amounts (part of the settlement agreement).
August 2015	\$15,000	174.50	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Begin preparation for open enrollment. Review issues from last year to determine next steps. • Review and document discrepancies between August and September FlexPlan production files. • Maintain separate meeting minutes for the UltiPro project • Continue to review and update the active enrollment guides for the next open enrollment period • Continue to analyze catastrophic drug claim reports for retirees to determine reimbursement amounts (part of the settlement agreement).
September 2015	\$15,000	183.5	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Continue preparation for open enrollment. Review

City of Detroit Major Activities by Month Segal Consulting

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> issues from last year to determine next steps. • Review and document discrepancies between September and October FlexPlan HRA production files. • Maintain separate meeting minutes for the UltiPro project • Continue to review and update the active enrollment guides for the next open enrollment period • Work with BE to audit and prepare census and enrollment data files for each retiree VEBA.
October 2015	TBD	TBD	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Work Order #56 – Open Enrollment System Updates and Customer Service Support • Continue preparation for open enrollment. Review issues from last year to determine next steps. • Review, update and finalize active enrollment guides for the next open enrollment period • Review and document discrepancies between October and November FlexPlan HRA production files. • Maintain separate meeting minutes for the UltiPro project • Work with BE to audit and prepare census and enrollment update data files for each retiree VEBA.
November 2015	TBD	TBD	<ul style="list-style-type: none"> • Bi-weekly implementation/status calls with Benefit Express, the City of Detroit and Segal • Maintain open and closed items logs • Weekly status calls with the City of Detroit and Segal • Run and review audit reports for active and retiree continued data clean –up. • Assist with responses to call center questions and escalations • Develop monthly invoice, run corresponding census report and assist with work order processing • Review and document discrepancies between November and December FlexPlan HRA production files. • Maintain separate meeting minutes for the UltiPro project

**City of Detroit Major Activities by Month
Segal Consulting**

Month	Segal Fees Invoiced to the MMSA	Total Hours	Major Activities
			<ul style="list-style-type: none"> • Work with BE to audit and prepare census and enrollment update data files for each retiree VEBA.