

Exhibit “A”



November 30, 2017

Township of West Orange
66 Main Street
West Orange, NJ 07052
John K. Sayers, Business Administrator

Dear Jack:

Fairview Agency's recommendation for the Township of West Orange is to move the reinsurance carrier to Sun Life effective January 1, 2018. The reasons for this recommendation is as follows:

1. The Premium is \$50,083 less than the incumbent
2. The Maximum claim exposure is \$513,443 less than incumbent
3. Sun Life offer is a no new laser contract – This eliminate the potential for lasers and they offer a renewal rate cap

I have enclosed a copy of the proposal for your records. If you have any questions please give me a call to discuss.

Thanks,

A handwritten signature in blue ink, appearing to read 'MA', is written over the 'Thanks,' text.

Michael Atkinson
Fairview Insurance Agency

Cc: R.Graham



**FAIRVIEW
INSURANCE AGENCY
ASSOCIATES, INC.**

Township of West Orange - 2018 Renewal Stop Loss Options

*Revised November 30, 2017

Effective Date

January 1, 2018

	<u>Single</u>	<u>Family</u>	<u>Total Lives</u>
Number of Lives	214	182	597
	<u>EE+Spouse</u>	<u>EE+Child(ren)</u>	
	165	36	



Current Renewal Option 1 Option 2 Option 3

Specific

	RMTS - Nationwide	RMTS - Nationwide	No Laser Renewal Sun Life	RMTS - Nationwide	No Laser Renewal Sun Life
Carrier:					
Deductible	\$200,000	\$200,000	\$200,000	\$250,000	\$250,000
Specific Coverages	Medical Only	Medical Only	Medical Only	Medical Only	Medical Only
Basis	24/12	24/12	24/12	24/12	24/12
Employee Rate	\$43.69	\$44.85	\$42.53	\$37.50	\$30.52
EE+Spouse Rate	\$96.11	\$98.67	\$85.89	\$82.50	\$65.25
EE+Child(ren) Rate	\$74.27	\$76.25	\$73.62	\$63.75	\$55.93
Family Rate	\$133.24	\$136.79	\$126.79	\$114.38	\$96.32
* Administration Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Premium	\$52,131	\$53,519	\$48,999	\$44,750	\$36,841
Annual Premium	\$625,575	\$642,231	\$587,992	\$536,996	\$442,095
* Includes PPO, UR, UMR Admin. Fees					

Aggregate

	24/12	24/12	24/12	24/12	24/12
Basis					
Aggregate Coverages	Medical Only	Medical Only	Medical Only	Medical Only	Medical Only
Attachment Corridor	125%	125%	125%	125%	125%
Employee Attachment Factor	\$629.62	\$694.99	\$1,317.49	\$707.82	\$1,356.45
EE+Spouse Rate	\$1,385.16	\$1,528.97	\$1,317.49	\$1,557.19	\$1,356.45
EE+Child(ren) Rate	\$1,070.35	\$1,181.48	\$1,317.49	\$1,203.29	\$1,356.45
Family Attachment Factor	\$1,920.34	\$2,119.71	\$1,317.49	\$2,158.84	\$1,356.45
Minimum Attachment Point					
Total Annual Aggregate Deductible	\$9,105,422.00	\$9,951,941	\$9,438,498	\$10,135,646	\$9,717,608
Aggregate Premium PEPM	\$3.29	\$3.29	\$3.87	\$3.62	\$4.05
Monthly Aggregate Premium	\$1,964	\$1,964	\$2,310	\$2,161	\$2,418
Annual Aggregate Premium	\$23,570	\$23,570	\$27,725	\$25,934	\$29,014
Total Annual Fixed	\$649,144	\$665,800	\$615,717	\$562,930	\$471,109
Total Annual Aggregate Deductible	\$9,105,422	\$9,951,941	\$9,438,498	\$10,135,646	\$9,717,608
Total Annual Cost	\$9,754,566	\$10,617,741	\$10,054,215	\$10,698,575	\$10,188,717
Total Annual Fixed	\$649,144	\$665,800	\$615,717	\$562,930	\$471,109
Total Estimated Paid Claims	\$7,011,175	\$7,712,292	\$7,712,292	\$7,812,292	\$7,812,292
Total Estimated Plan Cost	\$7,660,319	\$8,378,093	\$8,328,010	\$8,375,222	\$8,283,402

A stylized sun graphic in the top right corner, composed of concentric circles and radiating lines.

PROPOSAL

Brighter under the sun

Created for:
Township of West Orange

Introduction

Thank you for the opportunity to offer this proposal to you.

Proposal presented to

Township of West Orange
66 Main St
West Orange, NJ 07052

SIC Code: 9111

Proposal presented by

Sun Life Financial
One Sun Life Exec Park
112 Worcester Street
Wellesley Hills, MA 02481
Tel: 877-736-4739

Benefits quoted

Aggregate Stop-Loss and Specific Stop-Loss

Proposed Effective Date

January 1, 2018

Things to know

- This proposal shows a summary of proposed benefits, rates, and underlying assumptions. It is not part of the group policy or an administrative services agreement with Sun Life or its affiliated companies.
- This proposal is valid for 60 days, starting from November 9, 2017, and only for the proposed Effective Date.
- For fully insured coverages, the rates shown may be subject to recalculation pending a) final enrollment, b) census data, and c) review of any additional data requested in the proposal. Please review the assumptions for information about how the rates were derived.

The following notices apply to quotes for fully insured coverage:

Producer licensing

All Sun Life companies require producers who use insurance quotes for the purpose of soliciting, selling, or negotiating insurance to be licensed both by the state where the prospective client is located and by any state where the solicitation, sale, or negotiation of insurance occurs, if different. This requirement pertains to all forms of solicitation, sale, or negotiation of insurance, including but not limited to solicitation, sale, or negotiation conducted in person or by telephone, by e-mail, by fax, or otherwise.

Producer compensation

We encourage brokers and their clients to discuss what commission or other compensation may be paid in connection with the purchase of products and services from Sun Life companies. All Sun Life companies may pay the selling broker, agency, or third party administrator for the promotion, sale, and renewal of the products and services offered in this proposal. In addition to our standard compensation arrangements, we may make additional cash payments or reimbursements to selling brokers in recognition of their marketing and distribution activities, persistency levels, and volume of business. For New York-issued cases, producers must comply with the specific compensation disclosure requirements of New York Regulation 194.

Plan and rates

This proposal may be based on employee census information provided by the employer. Acceptance of the group and final rates will be determined by Sun Life based on actual enrollment and case experience, if required. Terms and conditions of any coverage under the policy may be determined by all required final data and by underwriting rules, minimum participation requirements, and policy provisions in effect on the date coverage begins.

Underwriting companies

The Sun Life Financial group of companies operates under the "Sun Life Financial" name strictly as a marketing name, and no legal significance is expressed or implied. In the United States and elsewhere, insurance products are offered by members of the Sun Life Financial group that are insurance companies. Sun Life Financial Inc., the publicly traded holding company for the Sun Life Financial group of companies, is not an insurance company and does not guarantee the obligations of these insurance companies. Each insurance company relies on its own financial strength and claims-paying ability.



Stop-Loss

We are pleased to offer Stop-Loss insurance to employers. Our coverage provides a full range of services and features designed to make self-funding easier and more affordable. Here are some highlights:

- **Autonomy:** Receive fast, final decisions to underwriting and claim requests because we don't need to take the time to ask for a reinsurer's approval. As a direct-writer carrier, we retain 100% of the risk for our Stop-Loss policies.
- **Excellent Claims Service:** Experience a high standard of customer service, including an average 7-business-day turnaround time for complete Specific claim requests.
- **Money-Saving Programs:** Get SunResources® and SunEliteSM—both are provided to all Sun Life Stop-Loss customers. Sun Life nurse consultants work with administrators even before the Stop-Loss deductible is reached to help reduce claim expenses for the plan through SunResources® access to specialized vendors. The SunEliteSM medical plan document review service delivers insight you can use to strengthen cost containment, federal law compliance, and discretionary authority language.
- **Comprehensive Policy:** Enjoy a Stop-Loss policy that covers a variety of managed care fees, off-label drug use, alternative care, state assessments, and state-mandated hospital surcharges. These reimbursable expenses can help lower the total cost of self-funding.
- **Flexibility:** Choose from a full range of plan designs to meet any budget. Designs include a range of deductibles and run-in and run-out options.
- **Customized Protection:** Tailor coverage with the innovative Cancer rider deductible (requires an in force Sun Life Cancer/Critical Illness policy), Aggregating Specific deductible, Monthly Aggregate Accommodation option, Clinical Trials option, and Advance Funding.
- **No New Lasers at Renewal:** Eliminate the potential for additional lasers with the No New Lasers at Renewal option. It includes the Renewal Rate Increase Cap to help make renewals even more predictable and stable.
- **Gapless Renewals:** Catch claims that would otherwise go uncovered between policy years with the Gapless Renewals option. This added coverage was created for claims that don't fall into the normal run-out pattern.
- **No Redisclosure at Renewal:** Rely on this to make things easier—you don't have to send in a large claims disclosure again at renewal.

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV 7-12.

Stop-Loss

Rates

Lasers at Renewal Option

Proposed Third Party Administrator: UMR, Inc.

Proposed network: United Healthcare, Options PPO

Specific Stop-Loss insurance			
Effective Date: 01/01/2018	Commission: 0%	SIC:	9111
Policy year end date: 12/31/2018			
Covered benefits	Medical excluding prescription drug plan		
Annual maximum: Unlimited			
Claim Basis:	24/12		
Specific Deductible	\$200,000	\$250,000	
Aggregating Specific Deductible			
Employee tier/lives			
Employee only	214	\$41.33	\$29.69
Employee and spouse	165	\$83.37	\$63.36
Employee and child	36	\$71.46	\$54.31
Employee and family	182	\$123.08	\$93.54
Total Lives	597		
Monthly premium	\$47,574	\$35,788	
Policy year premium	\$570,899	\$429,482	
Aggregate Stop-Loss insurance			
Effective Date: 01/01/2018	Commission: 0%	SIC:	9111
Policy year end date: 12/31/2018			
Maximum Aggregate benefit: \$1,000,000		Corridor: 125%	
Claim Basis	24/12		
Internal maximum	\$200,000	\$250,000	
Employee tier/lives			
Medical			
Employee only	214	\$1,317.49	\$1,356.45
Employee and spouse	165	\$1,317.49	\$1,356.45
Employee and child	36	\$1,317.49	\$1,356.45
Employee and family	182	\$1,317.49	\$1,356.45
Total Lives	597		
100% Minimum Attachment Point	\$9,438,498	\$9,717,599	
Aggregate premium			
Monthly rate per employee	\$3.87	\$4.05	
Policy year premium	\$27,725	\$29,014	
Policy year cost summary			
Specific Deductible	\$200,000	\$250,000	
Internal maximum	\$200,000	\$250,000	
Total premium	\$598,624	\$458,496	
Aggregate Attachment Point	\$9,438,498	\$9,717,599	
Maximum exposure	\$10,037,122	\$10,176,095	

Included in this plan:

- Managed care discount for pre-certification, utilization review, medical case management
- Retirees included for Specific coverage
- Retirees included for Aggregate coverage

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV 7-12.

November 9, 2017

Proposal for Township of West Orange

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Additional options:

- Additional discounts on the Specific rates have been applied for the following:
 - Neonatal network
- If this program is not in place by the Effective Date, rates will be increased 2% for each program.
- A discount may be available with the purchase of Group Life and/or LTD.

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV 7-12.

Assumptions

- Clinical Trial Coverage: Costs relating to non-experimental and non-investigational treatment incurred as part of a clinical trial are covered as eligible expenses. Costs relating to experimental or investigational treatment are not covered.
- Mental/nervous/drug/alcohol coverage is based on current plan design.
- Advance Funding Endorsement included.
- This proposal includes the Lasers at Renewal option and allows your renewal to contain new or revised lasers .
- Quote based on current plan of benefits.
- We are offering a conditional 90 Day Early Lock option. You must provide all required information through 9/30/17 including but not limited to a signed SRQ and application. The information must be received no later than 10/31/17. This offer is no longer valid after 10/31/17.
- This proposal assumes the mirroring amendment/endorsement is included. Mirroring of the employer's plan document is subject to review and approval by Sun Life and may impact the quoted rates. The employer plan document must be submitted within 90 days of the policy Effective Date and must include an executed signature page.
- The standard dependent definition is an employee's spouse and unmarried natural, adopted, or step children, unless otherwise noted.
- This proposal assumes your plan covers only full-time and regular part-time hourly and salaried employees, unless otherwise noted.
- Common ownership of the business units.
- Notification of any employer-completed merger or acquisition.
- Final rates for Specific coverage are guaranteed for 12 months from the Effective Date, unless a change in risk occurs. Risk changes include plan or policy amendments; Third Party Administrator or Administrative Services Only changes; network or cost-containment vendor changes; enrollment shifts greater than 15%; participation shifts in each plan option greater than 10%; and addition/deletion of a subsidiary, division, affiliate, or associated company.

Sold Case requirements

- Copy of plan document
- Final census information through the end of the enrollment period, including age or date of birth, gender, zip codes, coverage codes, and identification of any HMO, retiree, COBRA, and noneligible employees
- Special Risk Questionnaire (SRQ)
- For cases with run-in only:
 - Pending hospital expenses and known confinements that have not yet generated a bill
 - Pre-certification billing through 2 weeks prior to the Effective Date
 - Outstanding claims due to subrogation, audit, contested denials, or any other reason
- For cases with 12/12 or run-outs: pre-certification billing through 2 weeks prior to the Effective Date

Issuance of a contract is subject to submission of all Sold Case and Proposal Contingencies.

Sun Life Assurance Company of Canada (Wellesley Hills, MA) under Policy Form Series 07-SL REV 7-12.

Disclosures

Policy disclosures

Stop-Loss

Exclusions

We do not reimburse for any of the following:

- Expenses for medical services rendered to a Covered Person by the Covered Person's family member or relative.
- Expenses that are payable or reimbursable under any Workers' Compensation Law or similar legislation.
- Expenses for any cosmetic Treatment as defined in Your Plan. This exclusion does not apply to expenses relating to breast reconstruction after mastectomy.
- Expenses for any Experimental or Investigational Treatment, or for any hospital confinement or Treatment that results from Experimental or Investigational Treatment.
- Expenses for any transplant not included in the definition of Transplant.
- Expenses relating to non-human organ or tissue transplants, gene therapies, xenographs or cloning.
- Expenses for any Treatment administered outside the United States if the Covered Person traveled to the location where the Treatment was received for the purpose of obtaining the Treatment.
- Expenses for benefits in excess of Your Plan's limits, or expenses that are excluded under Your Plan.
- Expenses in excess of the Usual and Customary Charge.
- Any amount paid by You in excess of a negotiated provider discount, or any penalty or late charge incurred, or any discount lost, unless previously approved in writing by Us at Our U.S. Headquarters.
- Expenses associated with the administration of Your Plan including, but not limited to, claim payment fees, cost containment administrative fees, PDP administration fees, PPO access fees, premium functions, medical review and consultant fees, unless otherwise covered under this Policy.
- Expenses paid by You relating to any litigation concerning Your Plan, including, but not limited to, attorneys' fees, extra-contractual damages, compensatory damages and punitive damages.
- Any portion of an expense which You are not obligated to pay under Your Plan, or which is reimbursable to You under:
 - Another group health benefit program; or
 - A government or privately supported medical research program; or
 - Medicare; or
 - Any coordination of benefits or non-duplication of benefits provision of Your Plan; or
 - Worker's compensation; or
 - Any other source.
- Expenses incurred by a person who is employed by You at any unit, subsidiary or division of Yours that has not been underwritten by Us.
- Expenses incurred for any illness or injury due to, or aggravated by, war or an act of war, whether declared or undeclared.
- Expenses paid by You for any Treatment authorized or approved under any provision of Your Plan which:
 - Allows the plan administrator to approve alternative care or alternative treatment; or
 - Allows the plan administrator to alter, modify, or waive Plan provisions or limitations, or
 - Grants You or Your plan administrator discretion to approve coverage for Treatment not otherwise covered under Your Plan;unless the Treatment satisfies the criteria for Alternative Care set forth in Section II.
- Expenses covered under a Prescription Drug Plan, unless Prescription Drug Plan coverage is a Covered Benefit on the Schedule of Benefits.

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- Expenses for any Transplant if You have a separate insurance policy that covers Transplants for Covered Persons regardless of whether the Covered Person is covered by that policy.
- Notwithstanding any other Policy provision, We will not reimburse any expense incurred by any employee, or by the employee's dependents, where the employee is a member of: (a) a division, unit, group, subsidiary, affiliate, or class of employee of the Policyholder; or (b) an association, trust, cooperative or similar organization connected with the Policyholder, that is not covered by the Plan as of the Policy Renewal Effective Date.

General disclosures

1. For current financial ratings, please visit www.sunlife.com.

The Sun Life Financial group of companies operates under the "Sun Life Financial" name strictly as a marketing name, and no legal significance is expressed or implied. In the United States and elsewhere, insurance products are offered by members of the Sun Life Financial group that are insurance companies. Sun Life Financial Inc., the publicly traded holding company for the Sun Life Financial group of companies, is not an insurance company and does not guarantee the obligations of these insurance companies. Each insurance company relies on its own financial strength and claims-paying ability.

2. Value-added services are not insurance, are offered only on specific lines of coverage, and carry a separate charge, which is added to the cost of the insurance. The cost is included in the total amount billed. Emergency Travel Assistance is provided by Assist America®. Identity Theft Protection is provided by SecurAssist®, an Assist America program. CompPsych® is a registered trade mark of CompPsych Corporation. The entities that provide the value-added services are not subcontractors of Sun Life and Sun Life is not responsible or liable for the care, services, or advice provided by them. Sun Life reserves the right to discontinue any of the Services at any time. Employers who provide group insurance coverage and make available value added services within an I.R.C. Section 125 cafeteria plan should consult a tax professional to determine whether those services are Qualified Benefits for Section 125 plans.

Service guarantees: If we do not meet the terms of a guarantee, a policyholder may request in writing a service guarantee review. Sun Life will determine whether it failed to meet the guarantee and whether a payment is made. If the request is approved, payment will be made by check during the policy year, as long as the policy remains in force during this time. Sun Life's maximum liability under a guarantee for any policy year is limited to the lesser of 3% of the policyholder's annual premium or \$5,000 for each line of coverage. The maximum payment for a breach of any one component of a guarantee is one-third of the maximum liability (lesser of 1% or \$1,667). If a policyholder has more than one line of insurance coverage, the Overall Satisfaction component will be paid under the guarantee under which the service issue arises. Please note the Service Guarantees apply to Life, STD (including ASO), LTD and Dental (including ASO). For ASO contracts, service guarantee payments will be based on the annual service fee. Service Guarantees are not available for Stop Loss, Accident, Critical Illness, Cancer or Gap.

Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states, except New York, under Policy Form Series 93P-LH, 15-GP-01, 98P-ADD, 07-SL REV 7-12, 07P-LH-PT/07C-LH-PT, 01P-ADD-PT/01C-ADD-PT, GP-A, GC-A, 12-GP-01, 16-DEN-C-01, 12-DI-C-01, 16-DI-C-01, 13-SD-C-01, 12-AC-C-01, 16-AC-C-01, 16-ACPort-C-01, 13-ADD-C-01, 15-ADD-C-01, 12-GPPort-P-01, 13-ADDPort-C-01, 12-STDPort-C-01, ACPort-C-01, 13-SDPort-C-01, 16-SD-C-01, 16-SDPort-C-01, 15-LF-C-01, 15-LFPort-C-01, 16-VIS-C-01, TDBPOLICY-2006, and TDI-POLICY. In New York, group insurance policies are underwritten by Sun Life and Health Insurance Company (U.S.) (Lansing, MI) under Policy Form Series 15-GP-01, 13-GP-LF-01, 13-LF-C-01, 13-GP-LH-01, 13-ADD-C-01, 12-DI-C-01, 13-LTD-C-01, 13-STD-C-01, 06P-NY-DBL, 07-NYSL REV 7-12, GC-A, GP-A, 12-GP-SD-01, 13-SD-C-01, 12-GP-01, 12-AC-C-01, 12-GPPort-01, 13-LFPort-C-01, 13-ADDPort-C-01, 15-LF-GP-01, 15-SD-GP-01, 12-STDPort-C-01, 12-ACPort-C-01 and 13-SDPort-C-01. Prepaid dental products are provided and administered by Sun Life Assurance Company of Canada (SLOC) under Form Series BDC-GDSA, PDC, and are provided by prepaid dental companies, affiliated with SLOC, under Form Series BDC-GDSA, UDC-CA-GA06-UDC, UDC-CA-GA06-89, FB-NJ-0281, UDC-09-GDSA-TX, PDC in certain states except New York. Prepaid dental companies are Denticare of Alabama, Inc., United Dental Care of Arizona, Inc., UDC Dental California, Inc., United Dental Care of Colorado, Inc., Union Security DentalCare of Georgia, Inc., United Dental Care of Missouri, Inc., Union Security DentalCare of New Jersey, Inc., United Dental Care of New Mexico, Inc., UDC Ohio, Inc., United Dental Care of Texas, Inc., and United Dental Care of Utah, Inc. In New York, prepaid dental products are provided and administered by Sun Life and Health Insurance Company (U.S.) (SLHIC) (Lansing, MI) under Form Series BDC-GDSA-NY. Product offerings may not be available in all states and may vary depending on state laws and regulations.

This coverage does not constitute comprehensive health insurance (often referred to as "major medical coverage") and does not satisfy the requirement for Minimum Essential Coverage under the Affordable Care Act.

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