

**Township of West Orange
West Orange, NJ**

Presented to:
Fairview Insurance Agency Associates
Verona, NJ

Presented by:
Rob Haupin
Sales Representative
Berkley Accident and Health

November 10, 2020

Issuing Carrier: **Berkley Life and Health Insurance Co.**
Underwriter: **Craig Metz**
Group: **Township of West Orange**

Proposal No **222731**
Effective: **01/01/2021** Expiration: **12/31/2021**

INDIVIDUAL EXCESS LOSS COVERAGE

Coverages		Option 1	Option 2	Option 3	Option 4
		Medical, Rx Card	Medical, Rx Card	Medical, Rx Card	Medical, Rx Card
Contract Type		24/12	24/12	24/12	24/12
Annual Specific Deductible per Individual		\$ 200,000	\$ 225,000	\$ 250,000	\$ 200,000
Maximum Annual Reimbursement		Unlimited	Unlimited	Unlimited	Unlimited
Maximum Lifetime Reimbursement		Unlimited	Unlimited	Unlimited	Unlimited
Quoted Rate Per Month	<u>Enrollment</u>				
Employee	124	\$ 95.73	\$ 84.47	\$ 73.92	\$ 104.80
Employee Plus Spouse	73	\$ 190.69	\$ 168.27	\$ 147.25	\$ 208.76
Employee Plus Child	34	\$ 168.77	\$ 148.93	\$ 130.32	\$ 184.77
Family	154	\$ 286.42	\$ 252.74	\$ 221.17	\$ 313.56
Estimated Annual Premium		\$ 907,653	\$ 800,923	\$ 700,877	\$ 993,661
Quoted Rate(s) includes Commissions of		0.00%	0.00%	0.00%	0.00%
Aggregating Specific Deductible		\$ 200,000	\$ 150,000	\$ 100,000	\$ 200,000

AGGREGATE EXCESS LOSS COVERAGE

Coverages		Option 1	Option 2	Option 3	Option 4
		Medical, Rx Card	Medical, Rx Card	Medical, Rx Card	Medical, Rx Card
Contract Type		24/12	24/12	24/12	24/12
Loss Limit Per Individual		\$ 200,000	\$ 225,000	\$ 250,000	\$ 200,000
Maximum Annual Reimbursement		\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Aggregate Corridor		125%	125%	125%	125%
Rate Per Month	<u>Enrollment</u>				
Composite	385	\$ 10.68	\$ 11.67	\$ 12.67	\$ 10.68
Estimated Annual Premium		\$ 49,342	\$ 53,915	\$ 58,535	\$ 49,342
Rate(s) includes Commissions of		0.00%	0.00%	0.00%	0.00%
Annual Aggregate Deductible		\$ 9,148,425	\$ 9,348,244	\$ 9,548,801	\$ 9,148,425
Minimum Aggregate Deductible		\$ 9,148,425	\$ 9,348,244	\$ 9,548,801	\$ 9,148,425
Run-in Limited To		\$ 1,372,300	\$ 1,402,200	\$ 1,432,300	\$ 1,372,300
Monthly Aggregate Claim Factors	<u>Enrollment</u>				
<u>Medical , RxCard</u>					
Employee	124	\$ 964.87	\$ 985.94	\$ 1,007.10	\$ 964.87
Employee Plus Spouse	73	\$ 1,922.02	\$ 1,964.00	\$ 2,006.14	\$ 1,922.02
Employee Plus Child	34	\$ 1,701.07	\$ 1,738.22	\$ 1,775.51	\$ 1,701.07
Family	154	\$ 2,886.89	\$ 2,949.95	\$ 3,013.23	\$ 2,886.89

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OVERALL COST SUMMARY

	Option 1	Option 2	Option 3	Option 4
Total Annual Fixed Costs	\$ 956,995	\$ 854,838	\$ 759,412	\$ 1,043,003
Variable Costs	\$ 9,148,425	\$ 9,348,244	\$ 9,548,801	\$ 9,148,425
Maximum Annual Liability	\$ 10,305,420	\$ 10,353,082	\$ 10,408,213	\$ 10,391,428

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INDIVIDUAL EXCESS LOSS COVERAGE

Coverages	Option 5		Option 6	
	Medical, Rx Card		Medical, Rx Card	
Contract Type	24/12		24/12	
Annual Specific Deductible per Individual	\$	225,000	\$	250,000
Maximum Annual Reimbursement	Unlimited		Unlimited	
Maximum Lifetime Reimbursement	Unlimited		Unlimited	
Quoted Rate Per Month	<u>Enrollment</u>			
Employee	124	\$ 92.48	\$	80.93
Employee Plus Spouse	73	\$ 184.22	\$	161.21
Employee Plus Child	34	\$ 163.05	\$	142.67
Family	154	\$ 276.71	\$	242.13
Estimated Annual Premium	\$	876,871	\$	767,309
Quoted Rate(s) includes Commissions of	0.00%		0.00%	
Aggregating Specific Deductible	\$	150,000	\$	100,000

AGGREGATE EXCESS LOSS COVERAGE

Coverages	Option 5		Option 6	
	Medical, Rx Card		Medical, Rx Card	
Contract Type	24/12		24/12	
Loss Limit Per Individual	\$	225,000	\$	250,000
Maximum Annual Reimbursement	\$	1,000,000	\$	1,000,000
Aggregate Corridor	125%		125%	
Rate Per Month	<u>Enrollment</u>			
Composite	385	\$ 11.67	\$	12.67
Estimated Annual Premium	\$	53,915	\$	58,535
Rate(s) includes Commissions of	0.00%		0.00%	
Annual Aggregate Deductible	\$	9,348,244	\$	9,548,801
Minimum Aggregate Deductible	\$	9,348,244	\$	9,548,801
Run-in Limited To	\$	1,402,200	\$	1,432,300
Monthly Aggregate Claim Factors	<u>Enrollment</u>			
<u>Medical , RxCard</u>				
Employee	124	\$ 985.94	\$	1,007.10
Employee Plus Spouse	73	\$ 1,964.00	\$	2,006.14
Employee Plus Child	34	\$ 1,738.22	\$	1,775.51
Family	154	\$ 2,949.95	\$	3,013.23

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OVERALL COST SUMMARY

	Option 5	Option 6
Total Annual Fixed Costs	\$ 930,786	\$ 825,844
Variable Costs	\$ 9,348,244	\$ 9,548,801
Maximum Annual Liability	\$ 10,429,030	\$ 10,474,645

PROPOSAL QUALIFICATIONS AND CONTINGENCIES

In the event there is a 15% or greater change in enrollment or participation, rates and factors may be recalculated.

Administration costs and network access fees are not included in the stop loss costs or coverage.

Includes Specific Simultaneous Funding.

The Experimental or Investigative Services Endorsement is included. This Endorsement removes the Experimental or Investigative Services definition from our Policy and replaces it with that of the Underlying plan language.

The Exclusions Coverage Endorsement is included. This Endorsement removes certain Exclusions of the Stop Loss Policy and replaces them with the Exclusions, Limitations, and associated definitions contained within the Plan.

Minimum participation of 75% of all eligible employees is required.

Includes coverage for all retirees under the age of 65.

The rates and factors quoted are based on the data submitted. Any inaccurate or incomplete data submitted may result in changes.

Stop Loss premiums do not include any state imposed assessment fees or taxes, other than premium tax. In certain states, the policyholder will be responsible for remitting a separate fee for the amounts levied against the policy by certain states. These fees are outlined in the Additional Fees section of this proposal. If these fees are required to be billed to you, they are not subject to payment of any agreed to producer compensation or expense arrangements. In the event you do not pay the required fees, your policy may be cancelled for non-payment. In the event there is a state not listed that imposes an assessment fee on the Company, we reserve the right to bill the employer for any additional amounts not paid.

The quote is subject to all policy provisions, limitations, and exclusions.

We will not be bound by any typographical errors or omissions contained herein.

Aligning with your plan document is subject to review and approval by Berkley Accident and Health and may affect your quoted rates. Please submit a copy of your executed plan document within 90 days of the effective date for review and approval.

Additional compensation may be paid to a licensed producer in addition to the base commission identified herein.

Prescription drug coverage is included in the Specific & Aggregate only for the Library employees and enrolled dependents (estimated at 24); Prescription Drug is excluded from Specific & Aggregate for the Township employees and dependents.

Quote assumes the Aetna network.

Quote is firm subject to a completed and signed Disclosure Statement which must be received by 11/16/2020.

Option 4, 5 & 6 rates include no New Special Limitations (Lasers) at renewal. Maximum potential renewal increases will be capped at 55% provided that the terms and conditions of the contract remain the same; the aggregating specific corridor is included in this provision.

Initial the selected proposal option:

	Option 1	Option 2	Option 3	Option 4
Specific				
Aggregate				
	Option 5	Option 6		
Specific				
Aggregate				

Signature: _____ Date: _____