

Renewal options

March 5, 2019

To accept the renewal proposal, please do the following:

- At the bottom of this page, select a renewal option and sign where indicated.
- Email, fax, or mail all of the pages in the 'Renewal options' and 'Renewal options, continued' tabs to me by March 1, 2019, in order to avoid a lapse in coverage.

Policyholder name:	Valdez City School District	Account number:	908195
Policyholder Address:	1112 W Klutina	Renewal status:	Open
	Valdez, AK 99686	TPA Name:	MERITAIN HEALTH
Situs State:	AK	PPO Name:	Aetna Choice POS II (ASO, Meritain)
Renewal Eff. Date:	April 1, 2019		

Current and renewal rate summary	
Tier	Employees
Composite	237
Total	237

Specific Stop-Loss policy details and renewal options				
Plan thresholds	Current	Renewal	Renewal option 1	Renewal option 2
Individual Specific deductible	\$150,000	\$150,000	\$175,000	\$200,000
Aggregating Specific deductible	None	None	None	None
Annual maximum	Unlimited	Unlimited	Unlimited	Unlimited
Lifetime maximum	Unlimited	Unlimited	Unlimited	Unlimited
Specific rates	Current	Renewal	Renewal option 1	Renewal option 2
Claims basis	24/12	PAID	PAID	PAID
Benefits covered	Medical and Rx	Medical and Rx	Medical and Rx	Medical and Rx
Composite	\$243.00	\$267.08	\$235.57	\$215.83
Total monthly premium	\$57,591.00	\$63,297.96	\$55,830.09	\$51,151.71
Renewal rate action as a % increase to current monthly premium		9.9%	-3.1%	-11.2%

Aggregate Stop-Loss policy details and renewal options				
Aggregate rates	Current	Renewal	Renewal option 1	Renewal option 2
Aggregate Benefit Maximum	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Per employee per month rate	\$11.76	\$11.76	\$11.76	\$11.76
Total monthly premium	\$2,787.12	\$2,787.12	\$2,787.12	\$2,787.12
Renewal rate action as a % increase to current monthly premium		0.0%	0.0%	0.0%

Aggregate thresholds and rates	Current	Renewal	Renewal option 1	Renewal option 2
Claims basis	24/12	PAID	PAID	PAID
Benefits covered	Medical/PDP	Medical/PDP	Medical/PDP	Medical/PDP
Corridor	125%	125%	125%	125%
Minimum Attachment Point %	90%	90%	90%	90%
Composite Aggregate deductible factor	\$2,327.28	\$2,267.23	\$2,313.24	\$2,344.89
- Medical	\$2,001.60	\$1,941.55	\$1,987.56	\$2,019.21
- Rx Drug	\$325.68	\$325.68	\$325.68	\$325.68
Minimum Attachment Point	\$496,408.82	\$483,600.16	\$493,414.09	\$500,165.04
Estimated monthly renewal liability	\$551,565.36	\$537,333.51	\$548,237.88	\$555,738.93
Renewal rate action as a % increase to current monthly aggregate deductible factors.		-2.6%	-0.6%	0.8%

Total estimated annual plan costs				
Total costs	Current	Renewal	Renewal option 1	Renewal option 2
Total annual premium	\$724,537.44	\$793,020.96	\$703,406.52	\$647,265.96
Annual Aggregate Attachment Point	6,618,784.32	6,448,002.12	6,578,854.56	6,668,867.16
Total estimated self-funded plan costs	\$7,343,321.76	\$7,241,023.08	\$7,282,261.08	\$7,316,133.12
Renewal rate action as a % increase to total estimated annual plan cost.		-1.4%	-0.8%	-0.4%

Select renewal option	X		
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Please acknowledge acceptance of the terms and conditions of the renewal proposal by signing below and returning all pages of the proposal to Brian Partridge.

Please indicate the renewal option you have selected by initialing one of the three boxes above. Your signature on the renewal proposal constitutes your acceptance of the terms, conditions, assumptions and contingencies set forth in the proposal. The premium rates agreed upon as part of the renewal will be effective on the Policy Renewal Effective Date.

Authorized Signature: _____	Date: _____
Printed Name: _____	Printed Title: _____

Renewal options, continued

March 5, 2019

Policyholder name:	Valdez City School District
Account number:	908195
Renewal status:	Open
Renewal Eff. Date:	April 1, 2019

Specific Stop-Loss coverage

The following options and programs are included in your policy:

Options:

- **No New Lasers at Renewal option with Renewal Rate Cap of 50%**
This option prevents new lasers. The rate cap applies to Specific rates and the Aggregating Specific deductible (if applicable), and it assumes there are no material changes to the underlying plan, the Sun Life Stop-Loss policy, or the covered group.
- **Advance Funding option**
This option enhances the cash flow of your self-funded plan by advancing the stop-loss funds to you or your administrator up front, before you pay the provider.
- **Rx claims are included and bundled with the administration (no carve-out PBM)**
This proposal assumes that your stop-loss insurance will include coverage for prescription drug claims and that the standard large claimant reporting from your medical administrator will include both medical and prescription drug claims. Based on the information provided, your PBM vendor is CVS/Caremark.

Programs:

- **SunEliteSM medical document review service**
SunElite is a medical plan document review service for Sun Life Stop-Loss clients. Your custom SunElite report will analyze the plan's cost-containment, federal law compliance and discretionary authority.
- **SunExcel[®] transplant program**
The SunExcel program includes access to a stop-loss Specific deductible reduction when an approved transplant contract is placed.
- **SunResources[®] preferred network program**
SunResources is our preferred cost-containment vendor program. On a voluntary basis, Sun Life clients gain access to an extensive network of cost-containment vendors that have gone through a rigorous vetting process to ensure quality service and performance. SunResources can help lower costs both before and after a catastrophic claim occurs.

The following are not included in your policy:

- **Mirroring Endorsement**
- **Clinical Trials option**
- **Electronic Funds Transfer**
- **Retiree coverage**
- **Terminal Liability option**
- **Experience Rating Refund**

Producer commissions

Sun Life pays the following commission percent to the Stop-Loss producer: 0.0%.

Specific Stop-Loss renewal acceptance

Renewal options, continued

March 5, 2019

Policyholder name:	Valdez City School District
Account number:	908195
Renewal status:	Open
Renewal Eff. Date:	April 1, 2019

Acceptance of your Specific Stop-Loss renewal by Sun Life is subject to timely receipt of a signed renewal proposal and contingent upon a review of large claims over \$50,000 with diagnosis/prognosis for the period of April 1, 2018, through December 31, 2018, with accompanying required information. For large claims, the required information includes paid claims, pending claims, and notification of known situations. Upon review of your large claims information, we reserve the right to recalculate quoted rates.

Sun Life will not reimburse for claims expenses incurred outside the Policy Year parameters.

Aggregate Stop-Loss

- Features**

Monthly Aggregate Accommodation is not included.
Terminal Liability option is not included.

Minimum Attachment Points

Renewal	Renewal Option 1	Renewal Option 2
\$5,803,201.91	\$5,920,969.10	\$6,001,980.44

- Aggregate Stop-Loss renewal acceptance**

Renewal acceptance of Aggregate coverage by Sun Life is subject to timely receipt of a signed renewal proposal and contingent upon a review of monthly claims and lives, by line of coverage, for the period of April 1, 2018, through December 31, 2018. Upon review of that information, we reserve the right to recalculate the Aggregate Attachment Point.

General coverage

- Assumptions**

The above rates assume that your underlying plan will be brought into compliance with the Mental Health Parity Act and that covered expenses, as defined under the Mental Health Parity Act, will be covered as "any other illness". This renewal proposal also assumes that there are no underlying plan limits that are inconsistent with the guidelines established by the Americans with Disabilities Act.

- Affordable Care Act accommodations**

This renewal proposal represents Sun Life's efforts to work with you to meet your requirements under the Affordable Care Act (ACA), including, but not limited to, the dependent age provisions of the ACA. According to the rescission provision of the ACA, the self-funded medical plan is responsible for keeping its census data up to date at all times. If the plan inadvertently does not remove a terminated participant, Sun Life may deny any claims from the participant. However, in that situation, the self-funded medical plan is responsible for the claim.