

EXHIBIT 1



CITY OF FRISCO

GEORGE A. PUREFOY MUNICIPAL CENTER
6101 FRISCO SQUARE BLVD
FRISCO, TEXAS 75034
TEL 972.292.5000
WWW.FRISCOTEXAS.GOV

May 8, 2013

Life Account LLC
dba Compass Professional Health Services
Attn: David Toomey
3102 Oak Lawn, Suite 215
Dallas, TX 75219

RE: RFP #1303-035 Health Care Consultant for Transparent Pricing and Quality Metrics

Dear Mr. Toomey,

The City of Frisco has awarded the above mentioned RFP to your agency. The term of this agreement is thirty-six (36) months and shall commence based on the effective date of the contract. . There are three additional one year automatic renewals associated with this contract. Either party is required to provide sixty (60) days written notice if it intends to not renew.

Please acknowledge receipt of this letter by signing and emailing it to Daniel Ford, dford@friscotexas.gov.

David W. Toomey
Name
[Signature]
Signature

5/7/13
Date

Thank you for your interest in serving our needs. We look forward to a successful business relationship. If you have any further questions, please contact the Purchasing Division at (972) 292 5545.

Sincerely,

Daniel Ford, CPPB
Purchasing Manager

cc: Lauren Safranek, Human Resources Department

PROGRAM SERVICES AGREEMENT

This Program Services Agreement ("Agreement") is made and entered into effective as of May 7th, 2013 (the "Effective Date") by and between City of Frisco ("City"), acting on behalf of itself and its employee benefit plan known as the City of Frisco Plan (the "Plan" and, together with the City, shall be collectively referred to as the "Client"), and Life Account, LLC d/b/a Compass Professional Health Services ("Compass"). Compass and Client will hereinafter collectively be referred to as "the Parties" and referred to individually each as a "Party."

WHEREAS, City is a participating employer in the Plan, and provides health insurance and certain other benefits to City's employees ("Beneficiaries") by and through Plan; and

WHEREAS, the City issued Competitive Sealed Proposal No. 1303-035 seeking competitive sealed proposals for a healthcare consultant for transparent pricing and quality metrics, which is attached hereto as Exhibit "A" and incorporated herein for all purposes (the "CSP"); and

WHEREAS, Compass timely submitted a sealed proposal to provide a healthcare consultant for transparent pricing and quality metrics regarding the CSP, which is attached hereto as Exhibit "B" and incorporated herein for all purposes (the "Proposal"); and

WHEREAS, the City has investigated and determined that based upon the Proposal, the City wishes to enter into this Agreement for Compass to provide the services described herein.

NOW, THEREFORE, for and in consideration of the premises and mutual covenants contained herein, the parties hereto agree as follows:

1. Traditional Services. Compass shall make available to Client traditional professional and consulting services as defined in this Agreement. The services initially intended to be provided by Compass include, but are not limited to: general Beneficiary information, coordination of care, instruction regarding benefits available, consulting regarding healthcare benefits and available providers, consulting regarding cost efficiencies, medical record collection and charting, and provider bill review. Specific services to be provided by Compass shall be listed on "Exhibit C" attached hereto and incorporated herein for all purposes.

Clinical and Network Consulting Services. Compass shall make available to Client clinical and network consulting services as defined in this Agreement. The clinical and network consulting services initially intended to be provided by Compass include, but are not limited to: profiling of providers based on claims and process measures, selection and monitoring of Centers of Value physicians and hospitals, development of

Community Near Site Clinics, identification of clinical and network interventions, interface with Client's Third Party Administrator (TPA), and consulting on employee and dependent engagement. Specific clinical and network consulting services to be provided by Compass shall be listed on "Exhibit D" attached hereto and incorporated herein for all purposes.

2. Client Obligations. Client shall make available to Compass: access to Client's Plan and benefit documents (including the Plan Summary Description), monthly medical/RX claims files, access to Beneficiaries to allow Compass to make presentations intended to invite Beneficiaries to take part in the service program (The service program is the scope of services provided by the Compass HealthPro), support a comprehensive communications campaign, encourage Beneficiaries to take part in the service program by creating employee accountability and engagement, and reasonably assist Compass in the operation of the service program. During the term of this Agreement, Client shall not acquire any services from any other provider identical to the services provided by Compass without the prior written consent of Compass.

3. Term / Termination.

3.1 Term / Termination. The term of this Agreement shall extend for the length of the service program, which shall commence on the Effective Date and terminate after a period of thirty-six (36) months. Thereafter, this Agreement shall automatically renew for three (3) consecutive one (1) year terms unless either party provides written notice to the other, within at least sixty (60) days of the date of termination, of its intention not to renew this Agreement. After the initial term of this Agreement, either party may terminate this Agreement at any time on sixty (60) days written notice to the other party. The terms and conditions of this Agreement shall apply to the Initial Term and any renewal term unless modified in writing by the Parties.

3.2 Default. In the event that either Party shall default in the performance of any of its material covenants, or undertakings under this Agreement, and such default shall continue and not be corrected within thirty (30) days after the receipt of written notice thereof from the non-breaching Party specifying the default and requesting correction of such default, the non-breaching Party may terminate this Agreement by delivering written notice to such effect to the other Party, which notice shall be immediately effective.

4. Fees

4.1 Fee Amount. Client shall pay Compass according to the schedule in the Fee Model defined in Exhibit "E" attached hereto for the Services described herein as ("Service Fee").

4.2 Payment Schedule. Such Service Fee shall be paid in advance to Compass on a monthly basis, ("the Billing Cycle"), due thirty (30) calendar days after the

first day of the new month or thirty (30) calendar days after the receipt of fee invoice, whichever is later. The Billing Cycle will begin on the Effective Date of the Agreement and repeat until the Agreement is terminated.

4.3 Included Employees. The Service Fee is based on the number of active employees. See Exhibit "E" for the determination of active employees.

4.4 Fee Inclusion. The Service Fee includes Compass' standard marketing materials including employee service explanations and telephone number contact instructions. Other marketing materials will be provided to Client as electronic files in camera-ready format. Additional charges may apply for special requests including, but not limited to the costs associated with travel for member meetings and/or health fairs; customized or additional educational, promotional, or marketing materials; and/or postage and shipping costs for such additional materials if Client agrees in writing to pay for such items in advance of purchase or provision. Additional charges to the employee may apply for medical record collection fees charged by providers (e.g. doctors, hospitals, etc.) if the active employee agrees in writing to pay for such items in advance of purchase or provision.

4.5 Additional Services. Any requested services not described in this Agreement will require a separate Agreement with its own fee structure.

4.6 Termination. Upon termination of this Agreement, payments under this Agreement shall cease; however, Compass shall be entitled to any payments due for periods or partial periods that accrued prior to the date of termination for which Compass has not yet been paid.

5. Confidentiality, Non-Disclosure, and Non-Solicitation.

5.1 Definition of Confidential Information. "Confidential Information" means any non-public information Compass or Client (as appropriate, "Disclosing Party") designates as being confidential or which, under the circumstances surrounding disclosure ought to be treated as confidential. Confidential Information includes, without limitation, any and all of Disclosing Party's technical and non-technical information including business plans and business models, patent, copyright, trade secret, and proprietary information, techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, source code and formulae related to the current, future and proposed products and services of Disclosing Party, and includes, without limitation, Disclosing Party's respective information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, and marketing plans and information.

5.2 Nondisclosure and Nonuse Obligation. Compass or Client, as recipient of Confidential Information from Disclosing Party (as appropriate, "Receiving Party") agrees that it will not use, disseminate, or in any way disclose any Confidential Information to any person, firm or business, except to the extent necessary for internal evaluations in connection with negotiations, discussions, consultations with personnel or authorized representatives of Disclosing Party relating to a possible collaboration with the other, as required by law, and for any other purpose Disclosing Party may hereafter authorize in writing. Furthermore, except as required by law, the existence of any business negotiations, discussions, consultations or agreements in progress between the parties shall not be released to any form of public media without written approval of both parties. Receiving Party agrees to treat all Confidential Information with the same degree of care as Receiving Party accords its own confidential information, but in no case less than reasonable care. Receiving Party shall disclose Confidential Information only to Receiving Party's employees or other persons who need to know such information, and only if such recipient employees or other persons have previously agreed, in order to obtain the Confidential Information, to be bound by terms and conditions substantially similar to those terms and conditions applicable to Receiving Party under this Agreement. Receiving Party shall immediately give notice to Disclosing Party of any unauthorized use or disclosure of Confidential Information.

5.3 Exclusivity: Compass is providing a unique capability in assessing the quality, service and the cost efficiency of the physicians, hospitals, and other network providers. As Compass shares Confidential Information with Client, Client agrees not to utilize this information directly or through a third party to circumvent the direct communication or relationship that is being created and/or managed without the involvement and/or representation of Compass.

5.4 Exclusions from nondisclosure and nonuse obligations. The obligations of Receiving Party under Section 5.2 shall not apply to such Confidential Information that Receiving Party can document: (A) was in the public domain at the time such Confidential Information was communicated to Receiving Party by Disclosing Party through no fault of Receiving Party, (B) was rightfully in Receiving Party's possession free of any obligation of confidence as shown by Receiving Party's files and records at the time such Confidential Information was communicated to Receiving Party by Disclosing Party, (C) was developed by employees or agents of Receiving Party independently of and without reference to any Confidential Information communicated to Receiving Party by Disclosing Party, as shown by documents and other competent evidence in Receiving Party's possession, or (D) at or prior to the time such Confidential Information was disclosed to Receiving Party, had been communicated by Disclosing Party to an unaffiliated third party free of any obligation of confidence. A disclosure by Receiving Party of Confidential Information (A) in response to a valid order by a court or other governmental

body, (B) as otherwise required by law, or (C) as necessary to establish the rights of Receiving Party under this Agreement shall not be considered to be a breach of this Agreement by Receiving Party or a waiver of confidentiality for any other purposes; provide, however, Receiving Party shall provide prompt prior written notice thereof to Disclosing Party to enable Disclosing Party to seek a protective order or otherwise prevent such disclosure. This exclusion provision, however, shall not be interpreted as being in derogation of the parties' obligations set forth in the last sentence of Section 5.2 above.

5.5 Ownership and Return of Confidential Information and Other Materials. All Confidential Information shall remain the property of Disclosing Party, and no license or other rights to such Confidential Information is granted or implied hereby. All materials (including, without limitation, documents, drawings, models, apparatus, sketches, designs, lists and all other tangible media of expression) furnished by Disclosing Party to Receiving Party and which are designated in writing to be the property of Disclosing Party shall remain the property of Disclosing Party. At Disclosing Party request and no later than five (5) days after such request, Receiving Party shall promptly destroy or deliver to Disclosing Party, at Disclosing Party's option, (A) all materials furnished to Receiving Party by Disclosing Party, (B) all tangible media of expression in Receiving Party's possession or control to the extent that such tangible media incorporate any of Disclosing Party's Confidential Information, and (C) written certification of Receiving Party's obligations under this sentence.

5.6 Disclosure of Third Party Information. Neither party shall communicate any information to the other in violation of the proprietary rights of any third party.

5.7 Non-Solicitation. Each of the parties agrees that, during the term of this Agreement and for a period of one (1) year after the latter of its termination, expiration, or the completion of all services hereunder, it will not, directly or indirectly, alone or as a consultant, partner, officer, director, employee, joint venturer, lender, or stockholder of any entity: (1) solicit or otherwise seek to induce any employee, agent or representative of the other party to terminate such person's position as an employee, agent, or representative, or (2) hire, attempt to hire or knowingly permit any company or business organization in which it is employed, engaged or which it is directly or indirectly controlled by, or under common control with, to employ, any person who currently is or within the immediately-preceding six (6) months was an employee, agent, representative, or consultant of the other party, or in any manner seek to solicit or induce any such person to leave his or her employment with the subject party, or assist in the recruitment or hiring of any such person. A party's general solicitation of employees (through, for example advertisements in newspapers, magazines or trade journals) will not be a violation of this provision nor will a party's hiring an employee of the other

party who responds to such a general solicitation be a violation of this provision.

5.8 Confidential Information of Client. The parties recognize that the Plan is a "covered entity" and Compass a "business associate" under the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder, and agree to be bound by the provisions of the Business Associate Addendum attached hereto.

6. Reporting. Compass will provide Client with its standard utilization reports, on a quarterly basis.

7. INDEMNIFICATION.

7.1 COMPASS SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CLIENT, ITS OFFICERS, EMPLOYEES, DIRECTORS, AFFILIATED COMPANIES AND AGENTS FROM AND AGAINST ANY AND ALL THIRD PARTY CLAIMS, ACTIONS, DEMANDS AND LAWSUITS (TOGETHER "CLAIMS") AND ALL RESULTING COSTS, LIABILITIES, DAMAGES AND EXPENSES INCLUDING REASONABLE ATTORNEYS' FEES (TOGETHER "LIABILITIES") ARISING OUT OF:

- I. COMPASS'S BREACH OF ANY MATERIAL TERM OR PROVISION OF THIS AGREEMENT, OR VIOLATION OF ANY REPRESENTATION, WARRANTY OR COVENANT IN THIS AGREEMENT; OR
- II. COMPASS'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

7.2 COMPASS SHALL FURTHER INDEMNIFY, DEFEND AND HOLD HARMLESS CLIENT, ITS OFFICERS, EMPLOYEES, DIRECTORS, AFFILIATED COMPANIES AND ITS AGENTS FROM AND AGAINST CLAIMS BROUGHT AGAINST CLIENT BASED ON THE SERVICES PROVIDED BY COMPASS.

7.3 CLIENT SHALL GIVE COMPASS PROMPT WRITTEN NOTICE OF ANY CLAIM COVERED BY THIS SECTION AND PROVIDE REASONABLE ASSISTANCE AND COOPERATION (AT THE INDEMNIFIED PARTY'S EXPENSE). COMPASS SHALL HAVE THE RIGHT AND OR DUTY TO ASSUME THE CONTROL OF THE DEFENSE THEREOF WITH COUNSEL REASONABLY ACCEPTABLE TO THE INDEMNIFIED PARTY. CLIENT MAY TAKE PART IN ITS DEFENSE AT ITS OWN EXPENSE AFTER THE INDEMNIFYING PARTY ASSUMES THE CONTROL THEREOF.

8. No Assignment. Except in the case of an acquisition, merger, or sale of substantially all of the assets of a Party, neither Party will assign or transfer any rights or obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

9. Notices. Any notices required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated: (A) by personal

delivery, when delivered personally; (B) by overnight courier, upon written verification of receipt; (C) by telecopy or facsimile transmission, upon acknowledgement of receipt of electronic transmission; or (D) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth below or to such other address as either party may specify in writing.

10. Governing Law and Venue. This Agreement shall be governed in all respects by Texas law. The parties hereby consent to the exclusive jurisdiction of the state and federal courts located within Collin County, Texas with respect to disputes arising hereunder.

11. Severability. If any provision of this Agreement is held by a court of law to be illegal, invalid or unenforceable, (A) that provision shall be deemed amended to achieve as nearly as possible the same economic effect as the original provision, and (B) the legality, validity and enforceability of the remaining provisions of the Agreement shall not be affected or impaired thereby.

12. Waiver; Amendment; Modification. No term or provision hereof will be considered waived by either party, and no breach excused by either party, unless such waiver or excuse is in writing signed by the party against whom such waiver or excuse is asserted. The waiver by either party of, or consent of either party to, a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of, consent to, or excuse of any other or subsequent breach by the other party. This Agreement may be amended or modified only by a writing signed by an authorized representative of each of the parties.

13. Injunctive Relief & Specific Performance. A breach by either party of any of the promises or agreements contained herein will result in irreparable and continuing damage to the other party for which there will be no adequate remedy at law, and in the event of such breach, such other party shall be entitled to seek injunctive relief and/or a decree for specific performance, as well as such other relief as may be proper (including monetary damages if appropriate).

14. No Implied License. Compass hereby reserves all rights in and to its Confidential Information, and nothing herein shall be construed as granting the recipient of Confidential Information disclosed hereunder any license, express or implied, under any of Compass's patents, copyrights, trademarks or trade secrets.

15. Relationship of the Parties. This Agreement does not, nor is it intended to, create a relationship of joint venture, principal and agent or partnership between the Parties. The relationship between the Parties is and shall be that of an independent contractor. Nothing in this Agreement shall create or be construed to create the relationship of employer and employee. Each Party acknowledges that it shall have no authority to obligate or bind the other Party in any way.

16. Force Majeure. Neither Party hereto shall have any liability for delay or non-fulfillment of any terms of this Agreement caused by any cause not within such Party's reasonable control (but excluding financial inability) such as an act of God, war, riots or civil disturbance, strikes, accident, fire, transportation conditions, labor and/or material shortages, governmental controls, regulations, and permits and/or embargoes.

17. Entire Agreement. This Agreement constitutes the entire agreement with respect to the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements concerning such matters.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

19. Appropriation of Funds. Funds are not presently budgeted for Client's performance under this Agreement beyond the end of the Client's 2013-2014 fiscal year. Client will give Compass sixty days (60) notice if funds for Client's performance are not budgeted to continue beyond that time. Client shall have no liability for payment of any money for services performed after the end of Client's 2013-2014 fiscal year unless and until such funds are budgeted.

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EXHIBIT 1

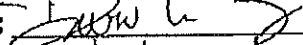
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives, all as of the date first set forth above.

Compass:

Life Account, LLC. d/b/a Compass
Professional Health Services
13601 Preston Road, Suite 816E
Dallas, TX 75240

Client:

City of Frisco
6101 Frisco Square Blvd.
Frisco, TX 75034

By: 
Date: 5/10/13
Printed Name: David W. Toomey
Title: President, Compass CCE

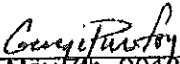
By: 
Date: May 17th, 2013
Printed Name: George Purefoy
Title: City Manager

EXHIBIT 1

EXHIBIT A

(CSP)



GENERAL INFORMATION
CITY OF FRISCO, TEXAS

COMPETITIVE SEALED PROPOSAL NO. 1303-035

Health Care Consultant for Transparent Pricing and Quality Metrics

~~~~~  
DOCUMENTS ARE DUE TO THE OFFICE OF THE DIRECTOR OF  
ADMINISTRATIVE SERVICES PRIOR TO:

***3/15/2013@ 2:00PM CST***

***NO LATE PROPOSALS WILL BE ACCEPTED***

**CD OR FLASHDRIVE AND THREE HARD COPIES REQUIRED**  
~~~~~

DOCUMENTS
MAY BE DELIVERED OR
MAILED TO:

CITY OF FRISCO
TOM JOHNSTON, DIRECTOR
OF ADMINISTRATIVE
SERVICES
6101 Frisco Square Blvd.
FRISCO, TX 75034

Deadline for Submittal of
Questions

3/5/2013 5pm CST

Send to

Purchasing@friscotexas.gov

**FOR ADDITIONAL INFORMATION CONCERNING THIS PROPOSAL PLEASE
CONTACT:**

Tom Johnston, CPPO, C.P.M.
Director of Administrative Services
tjohnston@friscotexas.gov
972 292 5540

Jean Stellatella, CPIM, CPPB
Buyer
jstellatella@friscotexas.gov
972 292 5541



CITY OF FRISCO
COMPETITIVE SEALED PROPOSAL NUMBER
1303-035

**RFP for Health Care Consultant for Transparent Pricing and
Quality Metrics**

**BIDDER MUST SUBMIT ORIGINAL PROPOSAL ON A CD OR FLASHDRIVE PLUS THREE
HARD "COPIES" TO FACILITATE EVALUATION. IF THE HARD "COPIES" ARE NOT
SUBMITTED WITH THE ORIGINAL CD OR FLASHDRIVE, YOUR PROPOSAL MAY BE
CONSIDERED AS "NON-RESPONSIVE TO SPECIFICATIONS" AND MAY NOT BE
CONSIDERED FOR FURTHER EVALUATION.**

The City of Frisco (the "City") is accepting Competitive Sealed PROPOSALS for Health Care Consultant for Transparent Pricing and Quality Metrics

It is the policy of the City to involve small businesses and qualified minority/woman owned businesses to the greatest extent possible in the procurement of goods, equipment, services, and construction projects.

Proposal must be received by 3/15/2013 at 2:00 PM CST BY THE DIRECTOR OF
ADMINISTRATIVE SERVICES'S OFFICE. NO PROPOSAL WILL BE ACCEPTED AFTER
THAT DATE AND TIME. ALL PROPOSALS RECEIVED AFTER THIS DATE AND TIME WILL
BE CONSIDERED UNRESPONSIVE.

Proposals will be publicly opened and read at the Frisco City Hall located at 6101 Frisco
Square Blvd., Frisco, Texas 75034 on 3/15/2013 at 2:05 PM, CST.

Write the competitive sealed proposal number 1303-035, name of proposals, RFP for Health Care Consultant for Transparent Pricing and Quality Metrics and the name of your organization on the outer envelope.

Proposals are to be submitted in accordance with the attached City specifications and the "General Conditions of Bidding" attached hereto. Each bidder is required to fill in every blank; failure to do so may be used as a basis for rejection of a proposals. The City reserves the right to reject any or all proposals, to waive formalities, or to proceed otherwise when in the best interest of the City.

The initial term of this contract will be for three (3) years. The City will have the right and option to extend the term of the contract for three (3) additional one (1) year periods upon the same

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terms and conditions. The City will also have the right and option to terminate the contract upon thirty (30) days written notice.

SEE ATTACHED SPECIFICATIONS/PROPOSAL FORM

The successful bidder may be required to execute a written contract.

GENERAL CONDITIONS OF BIDDING

1. INSTRUCTIONS: These instructions apply to all bids/proposals and become a part of the terms and conditions of any bid/proposal submitted and any agreement entered into subsequent thereto, unless exception is taken in writing by bidder when submitting bid.

BIDDING

2. FORM: Bidders must submit an original on a CD or Flashdrive and three (3) hard copies of the sealed bid/written quote/proposal to the Director of Administrative Services prior to response due date/time. Failure to submit the additional hard copies may result in the bid being declared unresponsive to specification and may not be further evaluated.
3. PRICING: Price(s) quoted must be held firm for a minimum of ninety (90) days from the date of bid closing. In the case of estimated requirement contract bid, the prices must remain firm for the period as specified in the bid. "Discount from list" bids are not acceptable unless specifically requested in the bid.
4. QUANTITIES: In the case of estimated requirements contract bid, quantities appearing are estimated as realistically as possible. However, the City reserves the right to increase, decrease or delete any item or items of material to be furnished while continuing to pay the price quoted on this bid regardless of quantity. The successful bidder shall have no claim against the City for anticipated profits for the quantities called for, diminished, or deleted.
5. ERROR-QUANTITY: Bids must be submitted on units of quantity specified, extended, and show total. In the event of discrepancies in extension, the unit prices shall govern.
6. F.O.B./DAMAGE: Quotations shall be bid F.O.B. delivered to the designated Municipal Facility, Frisco, Texas and shall include all delivery and packaging costs. The City assumes no liability for goods delivered in damaged or unacceptable condition. The successful bidder shall handle all claims with carriers, and in case of damaged goods, shall ship replacement goods immediately upon notification by the City.
7. DELIVERY PROMISE-PENALTIES: Bids MUST show the number of calendar days required to place the material in the possession of the City. Do not quote shipping dates. When delivery delay can be foreseen, the bidder shall give prior written notice to the City, who shall have the right, in its sole discretion, to extend the delivery date if reasons for delay appear acceptable. Default in promised delivery, without acceptable reasons,

EXHIBIT 1

or failure to meet specifications, authorizes the City to purchase the goods elsewhere, and charge any increase in cost and handling to the defaulting bidder.

8. BIDDER SHALL PROVIDE: With this bid response, the bidder shall provide all documentation required. Failure to provide this information may result in rejection of bid.
9. ALTERING/WITHDRAWAL OF BIDS: Bids cannot be altered or amended after submission deadline. The signer of the bid, guaranteeing authenticity, must initial any interlineations alteration, or erasure made before opening time. No bid may be withdrawn after opening time without first submitting a written reason to the Director of Administrative Services and obtaining the Director of Administrative Services's approval.
10. PRESENTATION OF BIDS: No oral, telegraphic, telephonic, e-mailed, or facsimile bids will be considered at this time. All bids must be submitted in a sealed envelope.
11. CORRESPONDENCE: This bid number must appear on ALL correspondence, inquiries, bid submittal documents, etc. pertaining to this Invitation for Bid.
12. ADDENDA: Any interpretations, corrections or changes to this Invitation for Bid and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of Frisco Purchasing Division. An attempt will be made to mail, fax, or e-mail any addenda to all who are known to have received a copy of this Invitation for Bid. Bidders shall acknowledge receipt of all addenda in the designated area on the bid document. It is the responsibility of the bidder to ensure receipt of all addenda and to include the changes in this bid document.
13. LATE BIDS: Bids received by the City after submission deadline shall be returned unopened and will be considered void and unacceptable. The City is not responsible for lateness of mail, carrier, etc.
14. BID OPENINGS: All bids submitted will be read at the City's regularly scheduled bid opening for the designated project. However the reading of a bid at bid opening should not be construed as a comment on the responsiveness of such bid or as any indication that the City accepts such bid as responsive.

The City will make a determination as to the responsiveness of bids submitted based upon compliance with all applicable laws, City of Frisco Purchasing Guidelines, and project documents, including but not limited to the project specifications and contract documents. The City will notify the successful bidder upon award of the contract and according to state law; all bids received will be available for inspection at that time, unless otherwise provided by law.

15. BID TABULATION: Bidders desiring a copy of the bid tabulation may request it by enclosing a self-addressed stamped envelope with bid. BID RESULTS WILL NOT BE GIVEN BY TELEPHONE. You can also download a copy on our website, www.friscotexas.gov/bids. If you have any questions, please contact the City of Frisco, Purchasing Division, at purchasing@friscotexas.gov.

16. PROTESTS: All protests regarding the bid solicitation process must be submitted in writing to the City within five (5) working days following the opening of bids. This includes all protests relating to advertising of bid notices, deadlines, bid opening, and all other related procedures under the Local Government Code, as well as any protests relating to alleged improprieties or ambiguities in the specifications.

This limitation does not include protests relating to staff recommendations as to award of this bid. Protests relating to staff recommendations may be directed to the City Manager within in five (5) days of the staff recommendation memo. Unless otherwise provided by law, all staff recommendations will be made available for public review prior to consideration by the City Council.

17. BID AWARD: The City reserves the right to award a separate contract to separate bidders for each item/group or to award one contract for the entire bid. Unless stipulated in the attached bid specifications, the contract will be awarded to the lowest responsible bidder or to the bidder who provides the goods or services specified herein at the best value for the City in compliance with Texas Local Government Code, Section 252.043.
18. CHANGE ORDERS: No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing by the City.

PERFORMANCE

19. MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE BIDDERS: A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder must meet the following requirements:
- A. Have adequate financial resources or the ability to obtain such resources as required;
 - B. Be able to comply with the required or proposed delivery schedule;
 - C. Have a satisfactory record of performance;
 - D. Have a satisfactory record of integrity and ethics; and
 - E. Be otherwise qualified and eligible, as determined by the City, to receive an award.

The City may request representation and other information sufficient to determine bidder's ability to meet these minimum standards listed above.

20. ASSIGNMENT: The successful bidder shall not sell, assign, transfer or convey this contract in whole or in part, without the prior written consent of the City.
21. SPECIFICATION-SAMPLES: Any catalog, brand name, or manufacturer's reference used is considered to be descriptive, not restrictive, and is indicative of the type and quality the City desires to purchase. Bids on brands of like nature and quality may be considered unless specifically excluded. If bidding on other than reference, bid must certify article offered is equivalent to specifications and it is subject to approval by the using department and the Purchasing Division. Samples, if required, shall be furnished free of expense to the City. SAMPLES SHOULD NOT BE ENCLOSED WITH BID UNLESS REQUESTED.

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22. TESTING: An agent so designated, by the City, without expense to the City, may perform testing at the request of the City or any participating entity.
23. PACKAGING: Unless otherwise indicated, items will be new, unused, and in first class condition in containers suitable for damage-free shipment and storage.
24. DELIVERY: Deliveries will be acceptable only during normal working hours at the designated City Municipal Facility. The place of delivery shall be set forth in the purchase order. The terms of this agreement are "no arrival, no sale".
25. TITLE AND RISK OF LOSS: The title and risk of loss of goods shall not pass to the City until the City actually receives and takes possession of the goods at the point(s) of delivery.
26. PATENT RIGHTS: The Bidder agrees to indemnify and hold the City harmless from any claim involving patent right infringement or copyrights on goods supplied.

PURCHASE ORDERS AND PAYMENT

27. PURCHASE ORDERS: A purchase order(s) shall be generated by the City Director of Administrative Services to the successful bidder. The purchase order number must appear on all itemized invoices and packing slips. The City will not be held responsible for any work orders placed and/or performed without a valid current purchase order number. Payment will be made for all services rendered and accepted by the contract administrator for which a valid invoice has been received.
28. BID SECURITY/BOND REQUIREMENTS: If required, bid security shall be submitted with bids. Any bid submitted without bid bond, or cashiers/certified check, shall be considered non-responsive and will not be considered for award. Performance and/or payment bonds, when required, shall be submitted to the City, prior to commencement of any work pursuant to the agreement provisions.
29. FUNDING: The City is a home-rule municipal corporation operated and funded on an October 1 to September 30 basis; accordingly, the City reserves the right to terminate, without liability to the City, any contract for which funding is not available.
30. TAXES: The City is exempt from Federal Manufacturer's Excise, and State sales taxes. TAX MUST NOT BE INCLUDED IN BID PRICING. Tax exemption certificates will be executed by the City and furnished upon request by the Finance Division.
31. PAYMENT TERMS: Payment terms are Net 30 unless otherwise specified by the City in this document. Prompt payment discounts may be used by the City in determining the lowest responsible bidder.
32. INVOICES: Invoices must be submitted by the successful bidder to the City of Frisco, Finance Division, accountspayable@friscotexas.gov

CONTRACT

33. **CONTRACT PERIOD/RENEWAL OPTIONS:** In the case of an annual contract bid, the contract shall be for a predetermined period as specified in the Invitation for Bids. If a clause for option to renew for additional period(s) is (are) included, renewal(s) will be based solely upon the option and written agreement between both the City and the Contractor. Either party dissenting will terminate the contract in accordance with its initial specified term.
34. **INTERLOCAL AGREEMENT:** Successful bidder agrees to extend prices to all entities that have entered into or will enter into joint purchasing Interlocal Cooperation Agreements with the City. The City is a participating member of the Collin County Governmental Purchasing Forum (the "Forum"). As such, the City has executed Interlocal Agreements, as permitted under Section 791.025 of the Texas Government Code with certain other governmental entities in Collin County authorizing participation in a cooperative purchasing program. The successful bidder may be asked to provide products/services, based upon bid price, to any other participant in the Forum.
35. **AUDIT:** The City reserves the right to audit the records and performance of successful bidder during the term of the contract and for three (3) years thereafter.
36. **SUCCESSFUL BIDDER SHALL:** Defend, indemnify and save harmless the City and all its officers, agents and employees and all entities, their officers, agents and employees who are participating in this contract from all suits, actions or other claims of any character, name and description brought for or on account of any injuries, including death, or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful bidder, or of any agent, officer, director, representative, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from bid award. Successful bidder shall pay any judgment with cost which may be obtained against the City and participating entities growing out of such injury or damages.
37. **TERMINATION FOR DEFAULT:** The City reserves the right to enforce the performance of this contract in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach or default of this contract. The City reserves the right to terminate the contract immediately in the event the successful bidder fails to: (1) meet delivery schedules; or (2) otherwise performs in accordance with these specifications. Breach of contract or default authorizes the City to, among other things, award to another bidder, purchase elsewhere and charge the full increase in cost and handling to the defaulting successful bidder.
38. **ACCEPTABILITY:** All articles enumerated in the bid shall be subject to inspection by a City officer or employee designated for the purpose. If found inferior to the quality called for, or not equal in value to the specifications, deficient in workmanship or otherwise, this fact shall be certified to the Director of Administrative Services who shall have the right to reject the whole or any part of the same. Work determined to be contrary to specifications must be replaced by the bidder and at its expense. All disputes concerning quality of supplies utilized in the performance of this bid will be determined solely by the City Director of Administrative Services or designated representative.

EXHIBIT 1

39. REMEDIES: The successful bidder and the City agree that each party has all rights, duties, and remedies available as stated in the Uniform Commercial Code and any other available remedy, whether in law or equity.
40. VENUE: This contract will be governed and construed according to the laws of the State of Texas. This contract is performable in Collin County, Texas.
41. SILENCE OF SPECIFICATION: The apparent silence of these specifications as to any detail or to the apparent omission from it of a detailed description concerning any point shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.
42. NO PROHIBITED INTEREST: The bidder acknowledges and represents they are aware of the laws and City Charter regarding conflicts of interest. The City Charter states in part that "No officer, whether elected or appointed, or any employee, whether full or part time, of the City shall have a substantial financial interest, direct or indirect, in any contract, other than employment contracts, with the City; or have a substantial financial interest, direct or indirect in the sale to the City of any land, materials, supplies or services....."
42. FORCE MAJEURE: If, by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this contract, then such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals, or other causes not reasonable within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.
43. DISCLOSURE OF CERTAIN RELATIONSHIPS
Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of the City of Frisco not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A

EXHIBIT 1

person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor. Chapter 176 and the questionnaire may be found at www.friscotexas.gov. By submitting a response to this request, vendor represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

CITY OF FRISCO CONTRACTOR INSURANCE REQUIREMENTS

Contractors providing good, materials and services for the City of Frisco shall, during the term of the contract with the City or any renewal or extension thereof, provide and maintain the types and amounts of insurance set forth herein. All insurance and certificate(s) of insurance shall contain the following provisions:

1. Name the City, its officers, agents, representatives, and employees as additional insureds as to all applicable coverage with the exception of workers compensation insurance.
2. Provide for at least thirty (30) days prior written notice to the City for cancellation, non-renewal, or material change of the insurance.
3. Provide for a waiver of subrogation against the City for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance.

Insurance Company Qualification: All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service.

Certificate of Insurance: A certificate of insurance evidencing the required insurance shall be submitted with the contractor's bid or response to proposal. If the contract is renewed or extended by the City a certificate of insurance shall also be provided to the City prior to the date the contract is renewed or extended.

Type of ContractType and amount of Insurance

Special Events

General Liability insurance for personal injury (including death) and property damage with a minimum of \$1 Million Dollars per occurrence and \$2 Million Dollars aggregate, including coverage for advertising injury and products coverage

Statutory Workers compensation insurance as required by state law

(If the contractor serves alcoholic beverages)
Liquor Liability with a minimum of \$1 Million Dollars per Occurrence and \$2 Million Aggregate.

(If high risk or dangerous activities) Umbrella Coverage or Liability Excess Coverage of \$ 2 Million Dollars

EXHIBIT 1

(If automobile or limousine service is involved
even if volunteers)
Automobile Liability with a minimum of \$1
Million Dollars combined single limit.

Public Works and Construction

General Liability insurance for personal injury
(including death) and property damage with a
minimum of \$1 Million Dollars per occurrence
and \$2 Million Dollars aggregate, including
advertising injury, products coverage and
(XCU) Explosion, collapse and underground (if
high risk or dangerous activities) Umbrella
Coverage or Excess Liability Coverage of \$2
Million Dollars Statutory Workers
compensation insurance as required by state
law

Professional Services

Professional Liability Insurance with a
minimum of \$1 Million Dollars per occurrence
and \$2 Million Dollars aggregate.

(If size or scope of project warrant)
Umbrella Coverage or Excess Liability
Coverage of \$2 Million Dollars

Supplemental Information

Texas Government Code Section 2252.002 Non-resident bidders. A governmental entity may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

In order to make this determination, please answer the following questions:

1. Address and phone number of your principal place of business:

2. Name and address of principal place of business, and phone number of your company's majority owner:

3. Name and address of principal place of business, and phone number of your company's ultimate parent company:

MINORITY/WOMAN-OWNED BUSINESS PARTICIPATION

It is the policy of the City of Frisco to involve small businesses and qualified minority/women-owned businesses to the greatest extent possible in the procurement of goods, equipment, services and construction projects. To assist us in our record keeping, please list below the names of the minority or woman-owned firms you would be utilizing in this bid, and note the monetary involvement:

NAME OF FIRM	TELEPHONE #	\$ INVOLVEMENT

AFFIDAVIT OF NO PROHIBITED INTEREST
(Supplemental Information)

(I) (WE), the undersigned declare and affirm that no person or officer in (my) (our) firm, business, corporation, or board has or will have during the term of this contract a prohibited interest as that is defined in City Charter.

(I) (WE) further understand and acknowledge that the existence of a prohibited interest at any time during the term of this contract will render the contract voidable.

Name of Contractor: _____

Title of Officer: _____

Signature of Contractor: _____

Date: _____

ACKNOWLEDGMENT

STATE OF TEXAS *

*

COUNTY OF COLLIN *

BEFORE ME, the undersigned authority, on this day personally appeared, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of _____, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this the _____ day of _____, 2013

Signature of Notary Public In and for the State of Texas

STAMP

SUPPLEMENTAL INFORMATION

Please provide the following information for contract development.

Is your firm?

1. Sole Proprietorship ☐ YES ☐ NO
 2. Partnership ☐ YES ☐ NO
 3. Corporation ☐ YES ☐ NO

If company is a sole proprietorship, list the owner's full legal name:

If company is a partnership, list the partner's full legal name(s):

If company is a corporation, list the full legal name as listed on the corporate charter:

Is this firm a minority, or woman-owned business enterprise?

☐ NO ☐ YES If yes, specify (☐) MBE (☐) WBE

Has this firm been certified as a minority/woman-owned business enterprise by any governmental agency? ☐ NO ☐ YES

If yes, specify governmental agency: _____

Date of certification: _____

EXHIBIT 1

For explanation please see Terms and Conditions Item #43

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ
For vendor or other person doing business with local governmental entity		
<p>This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity.</p> <p>By law this questionnaire must be filed with the records administrator of the local government not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>		OFFICE USE ONLY
1	Name of person doing business with local governmental entity.	Date Received
2	<p><input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire.</p> <p>(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)</p>	
3	Name each employee or contractor of the local governmental entity who makes recommendations to a local government officer of the governmental entity with respect to expenditures of money AND describe the affiliation or business relationship.	

EXHIBIT 1

4	<p>Name each local government officer who appoints or employs local government officers of the governmental entity for which this questionnaire is filed AND describe the affiliation or business relationship.</p>
---	---

Adopted 11/02/2005

FORM CIQ

Page 2

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

- 5** Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the answer to A, B, or C is YES.)

This section, item 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or other relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire? ☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity? ☐ Yes ☐ No

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more? ☐ Yes ☐ No

D. Describe each affiliation or business relationship.

EXHIBIT 1

6

Signature of person doing business with the governmental entity

Date

Adopted 11/02/2005

EXHIBIT 1

BIDDER REMINDER LIST:

REQUESTED DOCUMENTATION INCLUDED?

ORIGINAL ON A CD OR FLASHDRIVE AND THREE (3) HARD COPIES INCLUDED?

ALL BLANKS COMPLETED ON THIS BID FORM?

COMPLETED COMPANY PROFILE/REFERENCES?

COMPLETED SIGNATURE?

Overview of RFP Services

The City of Frisco is looking for a single vendor to perform comprehensive services to help impact our top medical conditions and to reduce our overall health care costs. An overview of the services is outlined below.

As a first step, the vendor will analyze the City's claims data and determine our highest cost drivers and then recommend appropriate interventions to impact those cost drivers.

We then want the vendor to profile the primary care physicians within the community, identify the top performers and designate them as elite physicians for our employees and their families to utilize for their primary care medical needs. These elite physicians will be accountable for the management of the City's employee population and our most costly medical conditions. The vendor would be responsible for building the appropriate processes with these physicians and monitor their overall performance so the City can attain their health risk and cost management objectives.

From the panel of elite physicians, the vendor will then engage those interested physicians' offices to support the City as full service accountable Primary Care Clinic(s). We want the vendor to manage the "Clinics" utilizing pre determined clinical and service metrics.

For the most common musculoskeletal, cancer and cardiac services, we want the vendor to identify high volume procedural specialists and to identify those facilities that are willing to offer bundled pricing for those services.

We also want the vendor to provide concierge resources for both the City's members and the elite physicians with health advocacy services and actual cost transparency support, including directing care to the high value providers as determined using measurable outcome and current pricing. In addition, we want the vendor's concierge resources to identify clinical care gaps and, as individuals call in with questions, the concierge resources prompt the individuals to close the care gaps.

An Integrated model is being requested by the City of Frisco due to the limited resources available for this initiative and due to the need for a controlled management process of the available data files.

Required Capabilities

- 1) Run our claims data to determine the highest cost drivers and any outliers.
- 2) Conduct a Request for Quality Information (RFQI) to primary care physicians for primary health management services and to the procedural specialists for musculoskeletal, oncology and cardiac surgical performance so that the City can assess the targeted providers' process of care and outcomes.

EXHIBIT 1

- 3) Utilize commercial claims data to profile the primary care physicians, orthopedic specialists, oncology specialist and cardiac specialists based on quality, safety and costs.
- 4) Combine the self-reported RFQI responses around process and outcomes with the profile reports to identify high value providers for direct relationships.
- 5) Build a process with high value Primary Care Physicians to operate as elite physicians for the City's employees and covered family members to access throughout the city.
- 6) From the panel of elite physicians, engage those interested physicians to perform as "Clinics" using the physicians' offices for the City employees' visits.
- 7) Establish Clinical and Service Standards for assessing the primary care physicians' performance in these criteria and then work with the providers to improve results over time.
- 8) Identify high volume, high value procedural specialists for musculoskeletal, cancer and cardiac conditions that are interested in fixed, bundled pricing.
- 9) Provide a concierge resource to the elite Physicians and Clinic resources with commercial specific cost data and provider specific quality metrics for objective referrals to specialists, hospitals and other providers.
- 10) Connect the Clinic of elite physicians with a clinical care pathway for high value MSK, Cardiac, and Oncology providers.
- 11) Provide ongoing monitoring and support of Value Centers and engaged providers.
- 12) Provide concierge resources to employees and to their households to obtain cost/quality transparency information, health advocacy and navigational support. The transparency information should be based on existing commercial specific cost data and provider specific quality metrics for referrals to specialists, hospitals and other providers. The concierge resource will refer plan enrollees to the elite providers and the Clinic; schedule appointments with providers; handle the claims and administrative functions; and identify gaps in care and advise individuals on preventive and treatment based care guidelines using the City's actual claims data.
- 13) Analyze available data to assess the high value providers and near site clinics' performance, and then work with the providers and Clinics to improve overall results, as well as to identify other savings opportunities.

- 14) Provide reports to the City in comparing past and current expenditures to support the resulting better treatment adherence, outcome results and cost savings.

RFP Questions

The City of Frisco is looking for integrated interventions to impact our overall healthcare costs and we are assessing organizations' capabilities to bring a coordinated solution that addresses our key cost drivers.

- 1) What tool would you use to analyze the City's claims and biometric data, if available, to identify areas of focus and to measure the impact of your interventions? With your analytics tool, please provide an example of the type of identifiers found with other clients and provide an example of the intervention implemented to impact the client's costs.
- 2) As a public sector employer with the usual prevalent medical conditions, what specific interventions would you recommend to impact the City's health risk factors and cost drivers? Please provide an overview of your programs, an explanation of the measurement process, and an overview of the expected results.
- 3) As part of the City's health improvement and cost management initiatives, the City offers a Price Transparency and Health Advocacy program for individuals. Do you have a program? If so, please provide an overview of the program, the average level of engagement/participation, and the average cost savings attained by your clients. Also clarify the data used to develop the Price Transparency component and whether you need the City's data to deliver on the price transparency functionality. Also outline the % of utilization by the different services offered by your program. How would you work with the City to promote the program with their enrolled population? Please provide communication samples used in the promotional campaign.
- 4) With your specific interventions, what role do the local physician and hospitals fulfill in improving the City's health risk factors and lowering costs?
 - a) If your health improvement efforts involve the provider community for specific medical conditions, please outline how you profile the physicians' performance. What data is used to perform this profile analysis, and what criterion is used in developing the profiling results?
 - b) For the specific medical conditions targeted, how do you assess the physicians' process of care and outcomes? Please provide a sample of the tool used to assess process and outcomes.
 - c) What steps would you follow to engage targeted providers in working with the City?
 - d) How do you support the targeted primary care physicians in their referral process to high quality, cost effective providers? Do you have a resource to support the oversight and management of the targeted providers' interactions? If so, please elaborate on this

resource's role.

e) How would you facilitate the interaction between the targeted providers and the City?

f) Please outline the expected cost savings opportunity with this intervention, and provide your analysis as to how you arrived at the expected savings.

6) Cancer is a prevalent medical condition for the City. Do you have an intervention targeted for this condition? If so, please provide an overview of the intervention, which can impact the individual's health risk factors and the City's costs. Please expand on the type of savings that you would expect, and provide your analysis as to how you arrived at the expected savings.

7) Musculoskeletal is the City's top medical cost category. The City is interested in a program to reduce unnecessary high tech scans, injections and MSK surgeries. Do you have an intervention targeted for this condition? If so, please provide an overview of the intervention, which can impact the individual's health risk factors and the City's costs. Please expand on the type of savings that you would expect, and provide your analysis as to how you arrived at the expected savings.

Evaluation Criteria

In determining the best value for the municipality, the municipality may consider:

1. Proven ability to perform and provide the required and requested services;
2. Qualifications of the team, with respect to both firms and individuals assigned to work on this program, including documented performance in similar projects;
3. Total cost of proposed services and ongoing services over three years with options for three 1-year renewals;
4. Prior experience or knowledge of respondent concerning the particular field. The breadth and depth of the firm's experience in conducting similar market research and evaluation programs.

List of Submittals

1. Summary cover letter describing your firm and its services ;
2. Answers addressing each of the 14 items listed under Required Capabilities as well as the 7 items under RFP Questions;
3. Resume pertaining to work or expertise in this field;
4. Provide annual fee to conduct an annual strategic data analysis; define quality using the open health market; implement processes with selected providers; and on-going monitoring process;
5. Provide annual fee for services to close gaps in care; provide assistance to employees regarding medical price transparency and patient advocacy; provide access to selected providers for employees and physicians; provide access to improved fixed cost pricing for high volume procedures in and outside of DFW;

EXHIBIT 1

and evaluate data and develop targeted clinical and network interventions for greater impact;

6. Provide list of customer references.



CITY OF FRISCO PURCHASING DIVISION

SIGNATURE FORM

1303-035

Health Care Consultant for Transparent Pricing and Quality Metrics

The undersigned certifies that the bid prices contained in this bid have been carefully reviewed and are submitted as correct and final. Bidder further certifies and agrees to furnish any and/or all product/service upon which prices are extended at the price offered, and upon the conditions in the specifications of the Invitation for Bid.

I hereby certify that the foregoing bid has not been prepared in collusion with any other bidder or other person or persons engaged in the same line of business prior to the official opening of this bid. Further, I certify that the bidder is not now, nor has been for the past six (6) months, directly or indirectly concerned in any pool or agreement or combination to control the price of product/service bid on, or to influence any person or persons to bid or not to bid thereon."

Name of Bidder: _____

Address of Bidder: _____

Telephone Number: _____ Fax: _____

E-mail address: _____

By: _____ (print name) Cash Discount Terms: _____

Title: _____ Federal ID #/SSN #: _____

Signature: _____

Acknowledgement of Addenda: #1 _____ #2 _____ #3 _____ #4 _____ #5 _____

EXHIBIT 1

EXHIBIT B
(PROPOSAL)



March 14, 2013

CITY OF FRISCO
TOM JOHNSTON, DIRECTOR OF ADMINISTRATIVE SERVICES
6101 Frisco Square Blvd.
FRISCO, TX 76034

Re: Compass Complete Proposal Response to Proposal No. 1303-036

Dear Mr. Johnston:

The Compass organization is pleased to provide our response to the above referenced proposal. We have provided three hard copies and the specific samples as requested in the RFP, and we have also included these materials in our electronic copy as well. The hard copies include the notarized signature.

With close to 1,200 clients nationwide, Compass has significant experience in working with employers and their covered employees to impact the City's medical costs. David Toomey and Dr. Scott Conard bring over 25 years of experience each in working to impact individuals' health and to lower costs, and their team will be responsible for ensuring that we deliver on the commitments as outlined in the response. We have provided our response to the questions as noted, and we are available to expand on our responses or to address additional questions.

The following is a summary of our capabilities:

- 1) The City of Frisco currently utilizes Compass Price Transparency and Consumer Advocacy services today, and we are making an impact with the City's employees today by helping them become better consumers of healthcare.
- 2) We build on the success of the Health Pro relationship providing a single entry point for the employees in navigating the healthcare model being proposed for the City.
- 3) We identify and engage high value primary care physicians who are interested in working more closely with the City, and we can engage specific high value physicians to utilize their existing offices as a near site clinic with preferential services to the City employees and dependents.
- 4) We can provide the employees the option for accessing specific high value specialists and facilities who have provided more competitive, fixed cost pricing for a number of surgical procedures.
- 5) And we utilize our reporting capabilities to assess the providers' impact to improve the City employees' health and the overall costs of the medical program.

We are excited about the opportunity to work with the City of Frisco to help you achieve our overall objectives. Please let us know if any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "David W. Toomey".
David W. Toomey

City of Frisco, Texas

Supplemental Information

Texas Government Code Section 2252.002 Non-resident bidders. A governmental entity may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

In order to make this determination, please answer the following questions:

1. Address and phone number of your principal place of business:

3102 Oak Lawn, Suite 215
Dallas, Texas 75219
Phone: 1-800-613-1667

2. Name and address of principal place of business, and phone number of your company's majority owner:

Life Account LLC DBA Compass Professional Health Services
3102 Oak Lawn, Suite 215
Dallas, Texas 75219
Phone: 1-800-613-1667

3. Name and address of principal place of business, and phone number of your company's ultimate parent company:

Non-Applicable

MINORITY/WOMAN-OWNED BUSINESS PARTICIPATION

It is the policy of the City of Frisco to involve small businesses and qualified minority/women-owned businesses to the greatest extent possible in the procurement of goods, equipment, services and construction projects. To assist us in our record keeping, please list below the names of the minority or woman-owned firms you would be utilizing in this bid, and note the monetary involvement:

Tom Johnston, CPPO, C.P.M.
Director of Administrative Services
tjohnston@friscotexas.gov
972 292 5540

City of Frisco, Texas

AFFIDAVIT OF NO PROHIBITED INTEREST

(Supplemental Information)

(I) (WE), the undersigned declare and affirm that no person or officer in (my) (our) firm, business, corporation, or board has or will have during the term of this contract a prohibited interest as that is defined in City Charter.

(I) (WE) further understand and acknowledge that the existence of a prohibited interest at any time during the term of this contract will render the contract voidable.

Name of Contractor: *Casper*

Title of Officer: *President*

Signature of Contractor: *[Signature]*

Date: *3/15/13*

ACKNOWLEDGMENT

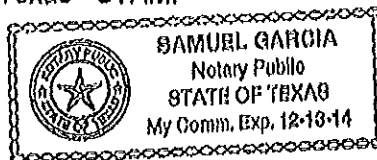
STATE OF TEXAS *

COUNTY OF COLLIN *

BEFORE ME, the undersigned authority, on this day personally appeared, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this the *15* day of *March*, 2013

[Signature]
Signature of Notary Public In and for the State of Texas STAMP



City of Frisco, Texas

SUPPLEMENTAL INFORMATION

Please provide the following information for contract development.

Is your firm?

1. Sole Proprietorship ☐ YES ☒ NO
 2. Partnership ☐ YES ☒ NO
 3. Corporation ☒ YES ☐ NO

If company is a sole proprietorship, list the owner's full legal name:

Non-Applicable

If company is a partnership, list the partner's full legal name(s):

Non-Applicable

If company is a corporation, list the full legal name as listed on the corporate charter:

Life Account LLC Dba Compass Professional Health Services

Is this firm a minority, or woman-owned business enterprise?

☒ NO ☐ YES If yes, specify () MBE () WBE

Has this firm been certified as a minority/woman-owned business enterprise by any governmental agency? ☒ NO ☐ YES

If yes, specify governmental agency: Non-Applicable

Date of certification: Non-Applicable

City of Frisco, Texas

Overview of RFP Services

The City of Frisco is looking for a single vendor to perform comprehensive services to help impact our top medical conditions and to reduce our overall health care costs. An overview of the services is outlined below.

As a first step, the vendor will analyze the City's claims data and determine our highest cost drivers and then recommend appropriate interventions to impact those cost drivers.

We then want the vendor to profile the primary care physicians within the community, identify the top performers and designate them as elite physicians for our employees and their families to utilize for their primary care medical needs. These elite physicians will be accountable for the management of the City's employee population and our most costly medical conditions. The vendor would be responsible for building the appropriate processes with these physicians and monitor their overall performance so the City can attain their health risk and cost management objectives.

From the panel of elite physicians, the vendor will then engage those interested physicians' offices to support the City as full service accountable Primary Care Clinic(s). We want the vendor to manage the "Clinics" utilizing pre-determined clinical and service metrics.

For the most common musculoskeletal, cancer and cardiac services, we want the vendor to identify high volume procedural specialists and to identify those facilities that are willing to offer bundled pricing for those services.

We also want the vendor to provide concierge resources for both the City's members and the elite physicians with health advocacy services and actual cost transparency support, including directing care to the high value providers as determined using measurable outcome and current pricing. In addition, we want the vendor's concierge resources to identify clinical care gaps and, as individuals call in with questions, the concierge resources prompt the individuals to close the care gaps.

An integrated model is being requested by the City of Frisco due to the limited resources available for this initiative and due to the need for a controlled management process of the available data files.

Required Capabilities RESPONSE: Compass can meet the requirements as noted in the 14 bullets below.

- 1) Run our claims data to determine the highest cost drivers and any outliers.
- 2) Conduct a Request for Quality Information (RFQI) to primary care physicians for primary health management services and to the procedural specialists for musculoskeletal, oncology and cardiac surgical performance so that the City can assess the targeted providers' process of care and outcomes.
- 3) Utilize commercial claims data to profile the primary care physicians, orthopedic specialists, oncology specialists and cardiac specialists, based on quality, safety and costs.

City of Frisco, Texas

- 4) Combine the self-reported RFQI responses around process and outcomes with the profile reports to identify high value providers for direct relationships.
- 5) Build a process with high value Primary Care Physicians to operate as elite physicians for the City's employees and covered family members to access throughout the city.
- 6) From the panel of elite physicians, engage those interested physicians to perform as "Clinics" using the physicians' offices for the City employees' visits.
- 7) Establish Clinical and Service Standards for assessing the primary care physicians' performance in these criteria and then work with the providers to improve results over time.
- 8) Identify high volume, high value procedural specialists for musculoskeletal, cancer and cardiac conditions that are interested in fixed, bundled pricing.
- 9) Provide a concierge resource to the elite Physicians and Clinic resources with commercial specific cost data and provider specific quality metrics for objective referrals to specialists, hospitals and other providers.
- 10) Connect the Clinic of elite physicians with a clinical care pathway for high value MSK, Cardiac, and Oncology providers.
- 11) Provide ongoing monitoring and support of Value Centers and engaged providers.
- 12) Provide concierge resources to employees and to their households to obtain cost/quality transparency information, health advocacy and navigational support. The transparency information should be based on existing commercial specific cost data and provider specific quality metrics for referrals to specialists, hospitals and other providers. The concierge resource will refer plan enrollees to the elite providers and the Clinic; schedule appointments with providers; handle the claims and administrative functions; and identify gaps in care and advise individuals on preventive and treatment based care guidelines using the City's actual claims data.
- 13) Analyze available data to assess the high value providers and near site clinics' performance, and then work with the providers and Clinics to improve overall results, as well as to identify other savings opportunities.

EXHIBIT 1

City of Frisco, Texas

14) Provide reports to the City in comparing past and current expenditures to support the resulting better treatment adherence, outcome results and cost savings.

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RFP Questions: The City of Frisco is looking for integrated interventions to impact our overall healthcare costs and we are assessing organizations' capabilities to bring a coordinated solution that addresses our key cost drivers.

- 1) What tool would you use to analyze the City's claims and biometric data, if available, to identify areas of focus and to measure the impact of your interventions? With your analytics tool, please provide an example of the type of identifiers found with other clients and provide an example of the intervention implemented to impact the client's costs.

RESPONSE: The Compass automated reporting tool will aggregate the City's medical claims and biometric data, identify the top medical conditions impacting the City's costs, and identify the top providers being utilized for those top conditions. Based on the Compass analysis of this data, we work in conjunction with your healthcare advisor/consultant to implement the appropriate clinical and network intervention to impact the employees' health and the City's overall costs.

Typically, musculoskeletal (MSK) conditions are amongst the top five cost drivers. For one Compass CCE client, MSK represented 30% of their total spend. Compass CCE introduced a MSK provider under a value-based plan design, and by directing over 600 individuals to this high performing provider, we avoided 25 scheduled surgeries and achieved a total net savings of \$1.1M in the first seven months of their plan. The Compass Health Pro helped employees find the MSK provider, so those employees experiencing this condition were able to find the high value provider to address their risk.

- 2) As a public sector employer with the usual prevalent medical conditions, what specific interventions would you recommend to impact the City's health risk factors and cost drivers? Please provide an overview of your programs, an explanation of the measurement process, and an overview of the expected results.

RESPONSE: Based on our analysis of various public sector employers, we have seen that employers in the sector experienced a challenge with low primary care utilization with specialist costs three to four times higher. We would also anticipate musculoskeletal costs at 20-30% of the City's total spend. Although other major conditions will vary based on demographic and lifestyle choices of the population, we would expect to see higher prevalence of cardiac, cancer and potentially maternity, and we would expect to see higher prevalence of diabetes and hypertension.

We have found that many employers like the City are implementing robust wellness programs and other interventions, with some employers spending \$400,000-\$500,000 to build on-site clinics. These interventions can have an impact on the employers' cost increases each year. At Compass, recommended interventions for the City would be based on the data analysis and customized to meet the City's Health Improvement objectives based on the following three pronged approach to medical cost reduction:

- a) **Helping Employees Navigate the System:** We deploy the Compass Health Pro to support employees and their family members by providing the actual cost of medical services. As employers have been forced to cost shift to employees through plan design, employees now have to make cost decisions in a complicated and confusing environment with inadequate resources to help them. Compass provides a resource to help employees understand the

City of Frisco, Texas

cost variability amongst physicians, hospitals and other providers within their insurance carrier network. Our data shows there can be a 300% variation in price amongst network providers. Recognizing that understanding cost through Price Transparency is only half the battle, the Compass Health Pro stays with employees throughout the entire process of care. They help schedule physician appointments, submit medical claims, audit medical bills and transfer medical records. The Health Pro also supports the individual's needs with dental, pharmacy and vision services. The employees recognize the value of the Health Pro, and they become a trusted resource.

We provide quarterly reports showing the participation levels of the employees, and we also show the estimated claims and productivity savings achieved. The estimated savings is calculated by comparing the cost of a scheduled procedure to the cost of the actual provider, (ie MRI scheduled at a hospital with a cost of \$2,100, and by contacting the Health Pro, the MRI is performed at a free standing facility for \$600, resulting in a net savings of \$1,600). We typically achieve a 20-30% engagement level amongst employees, and the return on investment savings can be 10:1.

- b) Prompting Employees to Prevent Illness and Major Claims: The data also shows that employees and their family members have an opportunity to improve the compliance rate with clinical standards of care. This means that individuals are not getting their age/gender appropriate preventive screenings and disease appropriate screenings as recommended by NCQA, HEDIS, and other industry accepted standards for clinical care. These proactive screenings are usually provided by primary care physicians, but since most employers have low primary care usage, employees get diagnosed with stage 3 or 4 medical conditions, which is quite expensive for the employer. Through the relationship of the Health Pro, we will prompt individuals outreaching to the Health Pro to ensure they are receiving the appropriate levels of care, and the Health Pro also schedule the appointment for the individual. Through a more proactive healthcare approach, at risk individuals can receive the appropriate interventions at a much earlier stage, which can deliver significant savings to the employer.

We provide quarterly reports showing the Clinical Care Gap Closure results. We will create a baseline of compliance rates before the Health Pro's intervention, and we will then show the increases in improving those rates. Those employers that motivate their employees to comply with evidence based standards of care achieve higher participation levels. From a savings perspective, we will compare the costs to assess the overall impact of increased compliance, as well as the prevalence of catastrophic claimants at cost levels of stage 3/4.

- c) Working with Employees to Improve outcomes: Compass has aggregated large amounts of commercial claims data to support our Price Transparency program. We have analyzed the data to assess the overall performance of primary care physicians, orthopedic specialists and heart specialists. For primary care, we have identified twenty-one metrics to assess the overall physicians' performance, so we can assess their effectiveness around quality, safety and costs. We assess their ability to deliver higher compliance rates with clinical standards of care and to avoid unnecessary specialist referrals, hospitalizations and emergency room visits. We then assess the primary care physicians around patient costs for hospital, specialists, emergency room, and total costs.

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Once we assess their financial performance, we develop a weighted Financial Score based on our proprietary methodology. As one would expect, there is a bell shaped curve on physician performance, and Compass' goal is to have the top performing physicians work directly with employers. As such, we invite the primary care physicians interested in working with employers to provide information regarding their process of care and outcomes through our exclusive partnership with OpenHealthMarkets.net. The profile score based on their process and outcomes as reported through the OpenHealthMarkets.net is then combined with their financial profile score to determine top performers in both cost and quality measures. The top performers are then designated as Centers Value.

From the Center of Value primary care physician listing, we then identify physicians who are interested in providing higher levels of service for designated employers becoming a Near Site Clinic for those employer's covered members. For the City, there are high value physicians who will provide custom services in return for the opportunity to increase the number of patients with the City employees. These physicians are able to provide extended and weekend hours to accommodate the City's needs, as well as offer same day appointments. Compass builds the "clinic" functionality with the Center of Value physician(s), and the City is able to provide the Clinic services without incurring excessive up-front costs and resource commitments.

We then support these Center of Value primary care physicians with a Provider Pro, who helps the physicians with information on their referrals to high quality, cost effective providers. This unique service delivers another touch point to help the patient be a better consumer of healthcare.

To address the more complex and most common complex care situations, Compass has replicated the profile process for orthopedic and heart specialists. Compass has identified Center of Value surgeons and facilities for musculoskeletal and cardiac procedures that are willing to offer market competitive, bundled rates as an option for the employees.

For example, within the current carrier networks today, the average cost of a spinal fusion in the North Texas market is \$60,263. Compass has identified Center of Value facilities that will offer a fixed cost for all expenses associated with that surgery ranging in costs from \$23,500 to \$56,437. With a fixed cost arrangement, these facilities must deliver a surgical experience without complications since they can not collect additional monies associated with care complications. These facilities will deliver significant savings to individuals paying a percentage of the bill and to the City for every procedure performed at the high value facility.

Compass will provide quarterly baseline reports from the carrier's claims data, and we will measure the impact to primary care, orthopedic and cardiac costs, based on utilization of the Center of Value providers. If we can engage 20% of the population with these conditions, we estimate the savings at close to \$1,000,000.

The key to these savings opportunity is the Health Pro. As the trusted resource to employees, the Health Pro connects all the parts. The Health Pro will be the single point of

City of Frisco, Texas

contact for support to:

- i. help individuals understand the cost variability amongst the network providers;
- ii. help individuals attain higher compliance rates for screenings;
- iii. connect employees with the Center of Value primary care physicians; and
- iv. provide the employees the option to have their surgeries scheduled at specific facilities with fixed rates.

- 3) As part of the City's health improvement and cost management initiatives, the City offers a Price Transparency and Consumer Advocacy program for individuals. Do you have a program? If so, please provide an overview of the program, the average level of engagement/participation, and the average cost savings attained by your clients. Also clarify the data used to develop the Price Transparency component and whether you need the City's data to deliver on the price transparency functionality. Also outline the % of utilization by the different services offered by your program. How would you work with the City to promote the program with their enrolled population? Please provide communication samples used in the promotional campaign.

RESPONSE: The City has recently implemented the Compass Price Transparency and Consumer Advocacy Program for your employees. The Compass Health Pro supports City employees and their family members by providing the actual cost of medical services. We deploy the Compass Health Pro to support employees and their family members by providing the actual cost of medical services. As employers have been forced to cost shift to employees through plan design, employees now have to make cost decisions in a complicated and confusing environment with inadequate resources to help them. Compass provides a resource to help employees understand the cost variability amongst physicians, hospitals and other providers within their insurance carrier network. Our data shows there can be a 300% variation in price amongst network providers. Recognizing that understanding cost through Price Transparency is only half the battle, the Compass Health Pro stays with employees throughout the entire process of care. They help schedule physician appointments, submit medical claims, audit medical bills and transfer medical records. The Health Pro also supports the individual's needs with dental, pharmacy and vision services. The employees recognize the value of the Health Pro, and they become a trusted resource.

Compass aggregates massive amounts of commercial claims data, and we have developed a sophisticated software program to provide the actual costs of services for medical services. We can provide the pricing information without the City's claims data.

We typically achieve a 20-30% engagement level amongst employees, and the return on investment savings can be 10:1. Since the broad roll-out on January 1, 2013, the City already has 6% engagement with their initial launch, and a claims savings of \$121,619! The key to engagement is active communications with the employees on the various services that can be provided by Compass. And as employees use the service, the word of mouth from the employees is also a very effective tool to create greater awareness and overall usage. Please refer to the attached samples which can be customized with the City's logo. Some clients incent their employees with \$10 gift cards for the first time they contact Compass. Some clients are now requiring an outreach to Compass for specific services to avoid being enrolled in a more expensive plan or to avoid higher plan contributions. We can work with the City to

City of Frisco, Texas

design the appropriate communications and engagement plan for high participation levels.

- 4) With your specific interventions, what role do the local physician and hospitals fulfill in improving the City's health risk factors and lowering costs?

RESPONSE: As noted above, the local physicians can play a critical role in improving the overall health of the City's at-risk population. Compass has identified Center of Value physicians who are prepared to work with the City on their employees' health risk and cost management objectives. Compass has also identified multiple physicians' offices in the community who are willing to serve the City's employees as a Near Site Clinic offering extended and weekend hours, as well as same day appointments. These Center of Value can have a material impact on the employees' overall health risk factors by achieving better compliance rates for primary and secondary preventive screenings.

In addition, Compass has identified Center of Value facilities who have agreed to very competitive, bundled rates for surgical procedures, which can help the City's financial goals. The Compass Health Pro provides the employees with the option of using these high value physicians and hospitals.

- a) If your health improvement efforts involve the provider community for specific medical conditions, please outline how you profile the physicians' performance. What data is used to perform this profile analysis, and what criterion is used in developing the profiling results?

RESPONSE: As noted previously, Compass has aggregated large amounts of commercial claims data to support our Price Transparency program. We have analyzed the data to assess the overall performance of primary care physicians, orthopedic specialists and heart specialists. For primary care, we have identified twenty-one metrics to assess the overall physicians' effectiveness around quality, safety and cost. We also measure their ability to deliver higher compliance rates with clinical standards of care and to avoid unnecessary specialist referrals, hospitalizations and emergency room visits. A second analysis is then conducted to measure the primary care physicians' impact with patient costs for hospital procedures, specialist care, emergency room expenses, and total costs. Those physicians that are proactive in their process of care with the patients have much better overall compliance rates and lower overall costs.

This is the same profile analysis employed in assessing orthopedic and heart specialists. We evaluate the commercial claims data to assess the specialists' overall effectiveness in treating the overall patients' needs and costs.

- b) For the specific medical conditions targeted, how do you assess the physicians' process of care and outcomes? Please provide a sample of the tool used to assess process and outcomes.

RESPONSE: Once we assess the physicians and specialists' financial performance, we then ask the physicians interested in working with employers to provide information

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regarding their process of care and outcomes through the exclusive website, OpenHealthMarkets.net. We then develop a profile score based on their process and outcomes, and we combine that score with their financial profile score. The top performers are then designated as Centers Value. As one would expect, there is a bell shaped curve on physician performance, and Compass' goal is to have the top performing physicians and specialists work directly with employers. Please refer to the attached sample of the tool used to assess process and outcomes.

c) What steps would you follow to engage targeted providers in working with the City?

RESPONSE: Through Compass' Center of Value physicians, we have already established relationships with targeted providers interested in working with the City. We have performed profile analyses around the physicians' financial performance and their process of care and outcomes. We have also identified Center of Value primary care physicians interested in working with the City as near site clinics and Center of Value facilities providing more competitive, fixed cost pricing for orthopedic and surgical procedures, as an option for employees. Compass Health Pro is currently available and ready to connect the employees with these targeted providers.

d) How do you support the targeted primary care physicians in their referral process to high quality, cost effective providers? Do you have a resource to support the oversight and management of the targeted providers' interactions? If so, please elaborate on this resource's role.

RESPONSE: At Compass, our goal is to help the employer impact their employees' health and the resulting costs for their organization. We achieve this objective by helping employees understand the cost variability of the network providers and by helping employees navigate a complex health care system. We then recognize the impact of high value physicians and hospitals working more closely with an employer on their health risk improvement and cost management objectives. Based on the success of the Health Pro relationship with employees, we have expanded that functionality with the Provider Pro resource. The Provider Pro supports the Center of Value primary care physicians by providing them with an opportunity report of their referral providers, so the physicians can route patients to high quality, cost effective providers. In addition, Compass is developing a quarterly PCP Scorecard to assess the Center of Value physicians' effectiveness in meeting the standards for employers. The Compass Provider Pro works with the Center of Value physicians to outline the steps needed to better meet the employers' needs. This unique service delivers another touch point to help the patient be a better consumer of healthcare. e) How would you facilitate the interaction between the targeted providers and the City?

RESPONSE: For the Center of Value physicians and hospitals seeing a higher volume of City employees, Compass can engage these providers in a meeting with the City to review data and to identify opportunities for greater impact on the health risk improvement and cost management objectives. If the City wants to work more closely

City of Frisco, Texas

with the Center of Value physician(s) as a near site clinic, Compass will help facilitate the oversight and management of the Clinic. By working more closely with high value providers, the City will have additional resources to impact the at-risk population and to avoid unnecessary specialist referrals, hospitalizations and emergency room utilization.

- f) Please outline the expected cost savings opportunity with this intervention, and provide your analysis as to how you arrived at the expected savings.

RESPONSE: As noted in the attached grid, we estimate the following savings opportunity based on the shifting 20% of the at risk, MSK patients to a better performing provider. For cardiac, that savings estimate is based on getting those at risk's condition under better control through more targeted secondary prevention screenings. And the PCP savings estimate is based on getting 20% of the employees into better performing physicians who are proactive in delivering better primary and secondary preventions beyond just cardiac care. If we can increase participation beyond 20%, the savings would increase. The prevention screenings and visits to better performing providers does incur claim costs, and those expenses are noted in the savings exhibit as well.

Category	Savings	Participation Assumption
MSK	\$507,000	Based on 20% Impact
Cardiac	\$20,000	Based on 20% Impact
PCP	\$386,000	Based on 20% Impact
Total	\$913,000	

Category	Claims Cost	Participation Assumption
Annual Claims Cost	\$207,000	Based on 20% Impact
Compliance screening	\$3,402	Based on Frisco's average annual costs for screenings; claim cost increase for approx 20% improvement in actual compliance
Total	\$210,402	

Net Savings	\$702,598
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- g) Cancer is a prevalent medical condition for the City. Do you have an intervention targeted for this condition? If so, please provide an overview of the intervention, which can impact the individual's health risk factors and the City's costs. Please expand on the type of savings that you would expect, and provide your analysis as to how you arrived at the expected savings

RESPONSE: Compass recognizes the wide variation in cancer treatment being provided to patients today. Due to the inherent complexities associated with

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assessing the clinical effectiveness of oncologists based on commercial claims data, Compass has developed relationship with the Harold C. Simmons Cancer Center at the University of Texas Southwestern (UTSW) Medical Center in Dallas, which is the only cancer treatment center in North Texas with the National Cancer Institute-designation (NCI). NCI-designated cancer centers are institutions dedicated to research in the development of more effective approaches to prevention, diagnosis, and treatment of cancer. From our deeper assessment of UTSW's capabilities, we have found that the treatment for cancer patients is entered into the UTSW electronic health record (EHR), and the oncologists must follow the standards of care established for the treatment of a cancer patient. These standards enable the patients to receive a more consistent treatment regimen based on the latest results for improved success. Compass Health Pro will help employees diagnosed with cancer by providing the option of using the UTSW oncology system.

- 7) Musculoskeletal is the City's top medical cost category. The City is interested in a program to reduce unnecessary high tech scans, injections and MSK surgeries. Do you have an intervention targeted for this condition? If so, please provide an overview of the intervention, which can impact the individual's health risk factors and the City's costs. Please expand on the type of savings that you would expect, and provide your analysis as to how you arrived at the expected savings.

RESPONSE: Compass identifies high value providers who have a greater likelihood to impact at risk individuals. Since musculoskeletal is one of the most prevalent medical conditions for employers, Compass has focused on identifying highly effective providers using evidence-based treatment standards for patients with joint related issues. Compass works closely with a healthcare group that employs and trains skilled providers who specialize in delivering high quality, outcome-based musculoskeletal care. Their strict adherence to quality care standards across their provider panel significantly reduces costs and recovery times for patients and prevents unnecessary MRIs, pharmaceuticals, and surgeries. Compass has evaluated the results of 200,000 patients in Texas to assess the overall effectiveness of the providers' performance, and Compass has found that this provider has resolved 85% of patients' needs with 2.9 visits at an average cost of \$667, compared to the average cost of \$4,048 for patient care through traditional sources involving specialists, PT/Chiro, injections, imaging, and unnecessary surgery.

Compass advocates for value-based plan design to help channel employees into this provider. The Compass Health Pro has triggers within the system based on joint related treatments, including pain medications, and when an employee is outreaching to the Health Pro on an issue, the Health Pro will be prompted to educate the individual on the value of this provider and to assess the employees' interest in scheduling an appointment. Please refer to the savings exhibit above.

Evaluation Criteria

In determining the best value for the municipality, the municipality may consider:

1. Proven ability to perform and provide the required and requested services;
2. Qualifications of the team, with respect to both firms and individuals assigned to work on this

City of Frisco, Texas

program, including documented performance in similar projects;

3. Total cost of proposed services and ongoing services over three years with options for three 1-year renewals;

4. Prior experience or knowledge of respondent concerning the particular field. The breadth and depth of the firm's experience in conducting similar market research and evaluation programs.

List of Submittals

1. Summary cover letter describing your firm and its services; COMPLETED

2. Answers addressing each of the 14 items listed under Required Capabilities as well as the 7 items under RFP Questions; COMPLETED

3. Resume pertaining to work or expertise in this field; COMPLETED IN COVER LETTER

4. Provide annual fee to conduct an annual strategic data analysis; define quality using the open health market; implement processes with selected providers; and on-going monitoring process;

5. Provide annual fee for services to close gaps in care; provide assistance to employees regarding medical price transparency and patient advocacy; provide access to selected providers for employees and physicians; provide access to improved fixed cost pricing for high volume procedures in and outside of DFW; and evaluate data and develop targeted clinical and network interventions for greater impact.

RESPONSE: The pricing for our Core price transparency/consumer advocacy services are noted below in the second line item, and the pricing for bullets #4 and #5 are outlined below.

Compass Complete	2013	2014	2015
Compass Care Engineering PEPM - \$5.25 -- 791 EEs	\$50,000	\$50,000	\$50,000
Compass PEPM \$5 -- 791 EEs	\$47,500	\$47,500	\$47,500
Total Fixed	\$97,500	\$97,500	\$97,500

6. Provide list of customer references.

The following are three clients that are currently using some or all of our services.

City of Frisco
Energy Future Holdings
Oncor

City of Frisco, Texas

CITY OF FRISCO PURCHASING DIVISION

SIGNATURE FORM

1303-035

Health Care Consultant for Transparent Pricing and Quality Metrics

The undersigned certifies that the bid prices contained in this bid have been carefully reviewed and are submitted as correct and final. Bidder further certifies and agrees to furnish any and/or all product/service upon which prices are extended at the price offered, and upon the conditions in the specifications of the Invitation for Bid.

I hereby certify that the foregoing bid has not been prepared in collusion with any other bidder or other person or persons engaged in the same line of business prior to the official opening of this bid. Further, I certify that the bidder is not now, nor has been for the past six (6) months, directly or indirectly concerned in any pool or agreement or combination to control the price of product/service bid on, or to influence any person or persons to bid or not to bid thereon."

Name of Bidder: Life Account LLC dba Compass Professional Health Services

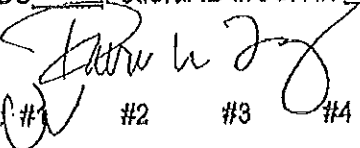
Address of Bidder: 3102 Oak Lawn, Suite 215, Dallas, TX 76219

Telephone Number: 800-513-1667 Fax: 469-730-5585

E-mail address: david.toomey@compasscce.com

By: David W. Toomey (print name) Cash Discount Terms: NA

Title: President, Compass CC Federal ID #/SSN #: 352263629

Signature: David W. Toomey 

Acknowledgement of Addenda: #1  #2 #3 #4 #5

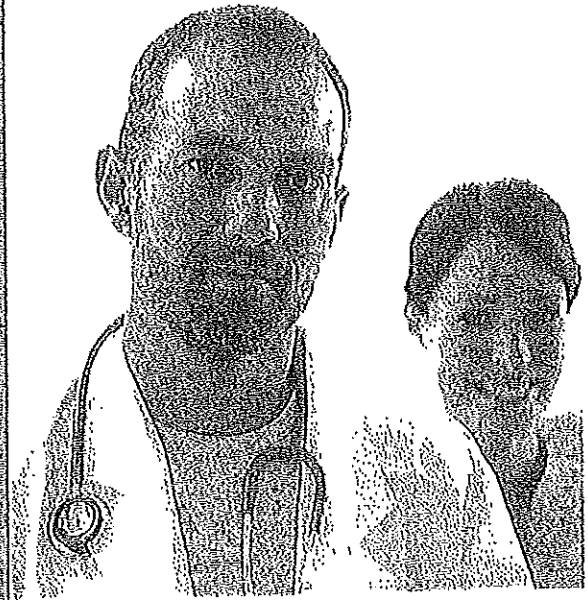


a simple direction
for healthcare.



Your HealthPro

by Compass Professional Health Services



No matter how complex or simple, we all have healthcare needs. From finding a doctor to solving a billing problem, getting straight answers can seem impossible at times. But you're in luck, you have a **Compass**. Your employer has hired us, Compass Professional Health Services, to serve as your personal healthcare advisor. Our mission is to help you understand and reap the full benefits from your healthcare benefits. The service is simple to use and available to you now.

Here is just a sampling of the services Compass provides:

- Unlimited access to a healthcare expert
- Unbiased doctor recommendations
- Hospital cost and quality information
- Straight answers about your benefits
- Bill reconciliation
- Insider information on saving money
- Complete advisor for your healthcare



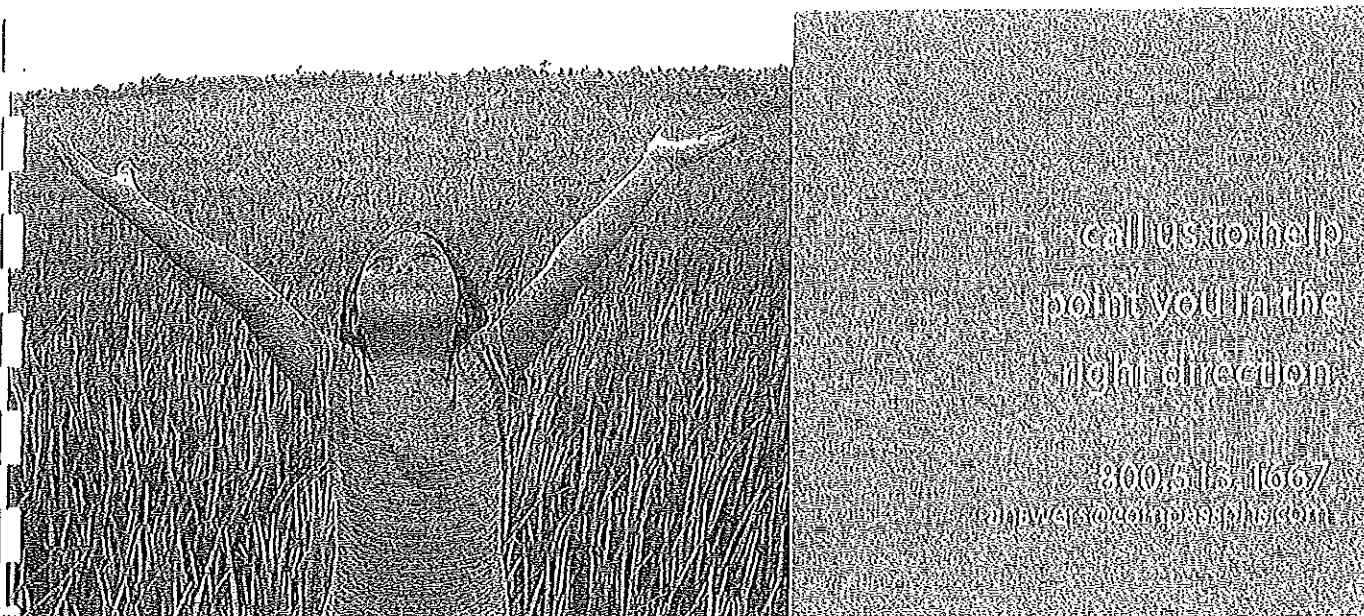
COMPASS

Professional Health Services

Contact Your Personal Health Pro

answers@compassphs.com

800.513.1667



call us to help
point you in the
right direction

800.513.1667
compass@compassphs.com

Compass can help you, every step of the way

Prepare



Understand
Insurance
Benefits



Create
Health
Summary

Choose



Compare
Costs



Select
Doctors



Explain
Care
Options

Treat



Schedule
Appointments



Assist with
Communications



Obtain
Medical
Records

Pay



Review of
Bills and
Charges



Lower Costs.
Smarter Decisions.
The right direction for healthcare.
Is Compass.

800.515.1667 | answers@compassphs.com

professional health services

EXHIBIT 1

Avoid billing pain after surgery. Know your costs up front.

We are always trying to save our members money on healthcare. One of the most costly procedures that you can face is surgery. Not only are the services expensive, but the bills that follow are very confusing.

That's where I can help. If you think you need surgery, or even diagnostic tests, let me know. I'll help you compare the costs of various healthcare facilities and specialists in your area. Combine that with our doctor recommendations and you'll get the best quality care at the lowest possible price.

Here are some average costs and high end price ranges for common procedures:

Healthcare Service	Average Cost	Can Be As High As
Diagnostic Procedures		
Mammogram	\$159	\$243
Colonoscopy	\$2,147	\$4,661
Endoscopy	\$2,117	\$4,245
Surgical Procedures		
Arthroscopic Knee Surgery	\$4,675	\$11,825
Labor and Delivery	\$8,720	\$13,908
Disc Surgery	\$7,137	\$28,545

Avoid places that will overcharge you. Let Compass Professional Health Services help you save as much as \$20,000 today.

I look forward to improving your healthcare experience.



Submit your request online!

Get Answers Now >>

Blair Paterson
800.513.1667 x707
Health Pro
blairp@compasspha.com



Disclaimer:

This communication is provided for informational purposes only. Compass Professional Health Services does not guarantee or warrant the quality of the provider, treatments, outcomes, pricing of services, or payment for services by your insurance carrier. Any information contained herein must be verified by you and your provider before use in treatment decisions or other health care.

Your insurance carrier is solely responsible for decisions regarding approval and payment of claims. Compass Professional Health Services is in no way responsible, financial or otherwise, for any claims, benefits, charges, refunds, or other balances that occur as a result of health services you choose to receive.

EXHIBIT 1

Are you paying \$50 or more for your prescriptions?

Many brand name prescriptions have lower costing alternatives that can save you money.

Here are some common conditions that are often treated with expensive name brands. Many people don't know that they can pay much less, just by asking their doctor. Here are some examples:

Condition	Common Brand Names	Alternative Available?
High Cholesterol	Lipitor, Crestor	Yes
Anxiety	Effexor XR, Pristiq	Yes
Heart Burn/Indigestion	Protonix, Zegerid	Yes
High Blood Pressure	Benicar, Diovon	Yes

Your Health Pros can tell you the lower cost options.

Just send me your prescriptions and I'll let you know how much you could save. I can also work with your doctor to make sure which alternatives are right for you.

Take a look at one Compass member's experience:

"I was spending \$200 every month on drugs until my Health Pro told me how to cut that down to only \$8. I love that I'm not wasting that money!"

Blair Paterson
800.613.1667 x707
Health Pro
blairp@compassphs.com



Disclaimer:

This communication is provided for informational purposes only. Compass Professional Health Services does not guarantee or warrant the quality of the provider, treatments, outcomes, pricing of services, or payment for services by your insurance carrier. Any information contained herein must be verified by you and your provider before use in treatment decisions or other health care.

Your insurance carrier is solely responsible for decisions regarding approval and payment of claims. Compass Professional Health Services is in no way responsible, financial or otherwise, for any claims, benefits, charges, refunds, or other balances that occur as a result of health services you choose to receive.

Profile Report Sample – Doctor Compare

Type	Metric Name	Doctor 1 % (Higher is Better)	Doctor 2 % (Higher is Better)	Doctor 3 % (Higher is Better)
Quality	Compliance - Gaps in Care	81	75	100
Quality	Complexity of Diagnostic Evaluation	68	78	35
Quality	Scope of Care	77	93	86
Safety	Use of Emergency Rooms - Volume	47	65	77
Safety	Use of Hospitals - Volume	69	49	100
Safety	Use of Specialists - Volume	40	42	13
Cost	Compensation to Primary Care Providers	54	98	26
Cost	Cost of Care - Specialist	72	52	92
Cost	Cost of Care - Hospital	90	49	100
Cost	Total Cost of Care All Patients	89	70	100
Cost	Ratio of Primary Care vs. Other Costs	60	93	100
Cost	Cost of Care - Emergency Care	48	83	86
Percentile		Top 50%	Top 25%	Top 10%



EXHIBIT 1



CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)
 7/11/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

 PRODUCER
 Swingle, Collins and Associates
 13760 Noel Road, Suite 600

Dallas TX 75240

 INSURED
 Life Account LLC DBA Compass Professional
 13601 Preston Rd, Suite 816E

Dallas TX 75240

 CONTACT NAME: Cheryl Griason
 PHONE: (972) 387-3000 FAX: (972) 387-3608
 E-MAIL: service@swinglecollins.com
 ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A	Peerless Indemnity Ins Co	10333
INSURER B	Federal Insurance Co	20281
INSURER C		
INSURER D		
INSURER E		
INSURER F		

COVERAGES

CERTIFICATE NUMBER: 12/13 Master

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR (INSR LTR)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY					EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Each occurrence) \$ 50,000
	<input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR		30P3000780	7/3/2012	6/1/2013	MED EXP (Any one person) \$ 8,000
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 1,000,000
						PRODUCTS - COMPROP AGG \$ 2,000,000
	GENL AGGREGATE LIMIT APPLIES PER:					
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO- <input type="checkbox"/> LOG					
A	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Each accident) \$ INCLUDED
	<input type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS		30P3800780	7/3/2012	6/1/2013	BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB					EACH OCCURRENCE \$
	EXCESS LIAB					AGGREGATE \$
	DED RETENTIONS					
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in HI) <input type="checkbox"/> Y/N <input type="checkbox"/> N/A
						DESCRIPTION OF OPERATIONS below
B	Professional Liability		32223103	5/1/2012	6/1/2013	Limit \$2,000,000
	Retro Date: 7/2/2008					Retention \$10,000

 DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 C-Cyber Liability Pol #TBD 6/1/12-6/1/13 Limit: \$5,000,000

Hired/Non-owned Liability is included in the General Liability limit of insurance

CERTIFICATE HOLDER

For Informational Purposes Only

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Frank Swingle/CRB

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 ACORD 25 (2010/05)
 INR025 (2010/05) 01

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EXHIBIT C
SPECIFIC INCLUDED SERVICES – CONSUMER CONSULTING

Compass shall make available the following services in accordance with the terms established in the Agreement;

Care Gap Identification – access to our proprietary healthcare claims or biometric data analytics to consult with plan members on how best to close specific care gaps; care gaps are identified when a member fails to follow nationally accepted standards of care agreed upon by the Client

Health Benefit Explanation – guidance or advisory services related to plan selection (if more than one option); explanation of covered and non-covered services; explanation of benefit costs and out-of-pocket liabilities; explanation of service access requirements; assistance using health plan support tools to select provider, select a service, review service usage activity, or estimate costs

Creation of Health Summary – collection of core medical records and billing records to create a summary of employee's health and medical history; service is based on actual records and saves employee the time it takes to collect the records and document key facts about his or her health

Explain Care Options – service explanation that organizes the likely treatment scenarios in a manner that is easy to understand by the employee, identifies possible treatment options, improves service expectations, and improves planning and preparation

Service Cost Analysis – providers and services are analyzed to help employees identify service availability based on experience and cost; plan reimbursement methodologies are then reviewed to help employees estimate actual out-of-pocket costs

Provider Selection – physicians, hospitals, and other service providers are identified for the employee based on unique personal preferences such as location or experience; Compass will also consult on and interface with Centers of Value providers as identified for the targeted medical conditions; network confirmation services are included for free

Scheduling – health services are scheduled for employees based upon request; schedules are coordinated to meet employee's time, location, or provider preferences

Communication Assistance – assistance with the coordination of communication between service providers prior to and following a major health event

Collection of Medical Records – collection of notes, discharge summaries, labs, tests, and studies following a major health event so the information can be studied by the employee and used to improve future health services

EXHIBIT 1

Bill Review – audit of health provider bills to ensure accurate adjudication, accurate charging, and protection against overpayment; the efforts necessary to resolve any related billing issues are included for free

EXHIBIT D

**SPECIFIC COMPASS CARE ENGINEERING (CCE) INCLUDED SERVICES –
CLINICAL AND NETWORK DEVELOPMENT**

Compass shall make available the following consulting services in accordance with the terms established in the Agreement:

Annual Strategic Analysis:

- (a) Perform an analysis of the available data including full medical and pharmacy claims files, member eligibility, biometric and clinical data, and wellness program results (i.e. Naturally Slim). Assess the cost drivers, gaps in clinical care, and the inherent risks within Client's population. Provide consulting reports outlining the physicians' effectiveness in meeting the covered population's health care needs based on the current network relationship.
- (b) Once the baseline analysis is completed, identify opportunities for engaging high quality, organized primary care physicians to support Client's wellness efforts, to improve the overall health risk of the population, and to proactively manage chronic diseases.
- (c) From the baseline assessment of the facility related expenses, identify the top performing hospitals and specialists for the most prevalent "procedural" conditions, and outline the savings opportunity for channeling patients to Centers of Value by condition.

Assessing Quality – the Open Health Market RFQI

- (a) Utilize the proprietary Open Health Market (OHM) website to disseminate an annual Request for Quality Information (RFQI) directly to primary care physicians, procedural specialists and hospitals, and to capture the providers' responses to the quality standards for service, access, outcomes, and satisfaction, as defined in the OHM site.
- (b) Provide a quality ranking report of the top physicians and hospitals that best meet the needs of Client.

Centers of Value (COV) Providers

- (a) Present analysis of the quality and financial results to Client, and determine the Center of Value providers.
- (b) Engage the selected primary care physicians that meet the defined quality standards to support the Client's cost management initiatives including wellness and health improvement. For the procedural specialists and hospitals meeting the quality standards, seek a fixed cost financial structure or an improved financial structure.

- (c) Identify and engage COV primary care physicians to operate as a Community Near Site Clinic for the Client.

CCE Implementation with Selected Providers

- (a) Engage the COV primary care physicians in working with Client to attain defined health improvement, wellness, and financial goals.
- (b) Set performance standards for the COV primary care physicians and establish process flows with the primary care physicians in their interaction with Client.
- (c) Implement processes with the specialists and hospitals for targeted conditions and ensure appropriate measurement of the fixed cost or enhanced contractual arrangements are operationalized, and assess their performance and results annually.

On-going Monitoring Process

- (a) Provide Client access to the COV quarterly dashboard to track results to goals for overall population health management targets and risk factor improvement.
- (b) Deploy Provider Pro consultant to support to the COV primary care physicians in assessing results to established standards
- (c) Provide oversight of the Community Near Site Clinic(s)
- (d) Meet with COV physician group administrators on quarterly to semi-annual basis to assess opportunities for process flow improvement and to review results to target.

Employee and Dependent Engagement

- (a) Work with Client to develop an employee accountability strategy by defining employer culture and steps to drive employee engagement with specific providers and programs, such as incentives and value-based plan designs.

EXHIBIT E
SERVICE FEES

Fee Schedule

Based on the Client's current employee count, Client will pay Compass Professional Health Services \$5.25 per employee per month for three (3) years for Compass CCE services as outlined Exhibit D. Client will pay Compass Professional Health Services \$4.50 per employee per month for Compass services as outlined in Exhibit C.

The number of employees is defined as any active employee on the City health plan as of the last calendar day of the prior month. Any post-65 retired employees on the City benefit plan as of the same time will not be considered in the employee count. Former or terminated employees participating in Cobra or other forms of extended coverage are not included in the count. Employees who contact Compass for service who are not on the health plan will be added to the total number of employees.

Fees are payable the first day of the month in which support services commence and are due to Compass Professional Health Services by the 30th of the month.

Additional Fees

1. Fees assessed by TPA for data extraction, production and transmission of requested data files for Client.
2. Fees assessed for the creation of custom dashboards for the initial assessment and custom ongoing monitoring of the clinical and health benefit programs at Client.
3. Assessment, development, and ongoing management of an onsite, near-site, and/or virtual medical clinic.
4. TPA charges for supporting contract development and negotiations, custom network development, custom ID cards or ID card reissue.
5. Products and services available through ACAP, including but not limited to, Naturally Slim, Revitalize You, Health Prompt, Musculoskeletal Programs and Compass Professional Health Services.
6. Custom employee or participant communications.
7. Cost of postage for communication materials mailed to homes.
8. Compliance or legal services.