

AGREEMENT

24-0177-ITN Employee Benefits Consulting Services

This Agreement (the "Agreement" or "Contract") is entered into on the date last executed below ("Effective Date"), by and between Pinellas County, a subdivision of the State of Florida whose primary address is 315 Court Street, Clearwater, Florida 33756 ("COUNTY") and Gallagher Benefit Services, Inc. whose primary address is 2850 Golf Road, Rolling Meadows, IL 60008 (hereinafter "CONTRACTOR" or "Custodian" or "Vendor") (jointly, the "Parties").

NOW THEREFORE, the Parties agree as follows:

A. Documents Comprising Agreement

1. This Agreement, including the Exhibits listed below, constitutes the entire agreement and understanding of the Parties with respect to the transactions and services contemplated hereby and supersedes all prior agreements, arrangements, and understandings relating to the subject matter of the Agreement. The documents listed below are hereby incorporated into and made a part of this Agreement:
 - a. This Agreement
 - b. Pinellas County Standard Terms & Conditions, located on Pinellas County Purchasing's website, effective 6/14/2023, posted at <https://pinellas.gov/county-standard-terms-conditions/>
 - c. Exhibit C – Statement of Work
 - d. Exhibit D – Payment Schedule
 - e. Exhibit E – Insurance Requirements
2. In the case of a conflict, the terms of this document govern, followed by the terms of the attached Exhibits, which control in the order listed above.

B. Term

1. The initial term of this Agreement is five (5) years from the issuance of the Notice to Proceed. At the end of the initial term of this contract, the Agreement may be extended for two (2) additional twelve (12) month periods beyond the initial term, or such other renewal terms agreed to by the Parties.

C. Price Adjustments

1. **Initial term.** Pricing will be held firm for the initial term of the Agreement.
2. **Term Extensions.** Term extensions will allow for one price adjustment (Decrease/Increase) per extension period in an amount not to exceed the average of the Consumer Price Index (CPI) or 5 %, whichever is less, for all Urban Consumers, Series Id: CUUR0000SA0, Not Seasonally Adjusted, Area: U.S. city average, Item: All items, Base Period: 1982-84=100 for the twelve months prior to extension. The extension shall be exercised only if all terms and conditions remain the same and the County grants approval.

It is the vendor's responsibility to request any pricing adjustment under this provision. For any adjustment to commence on the first day of any exercised extension period, the

vendor's request for adjustment should be submitted at time of the extension request from the County, utilizing the available index at the time of request. The vendor adjustment request should not be in excess of the relevant pricing index change. If no adjustment request is received from the vendor, the County will assume the vendor has agreed that the extension term may be exercised without pricing adjustment. Any adjustment request received after the commencement of a new extension period may not be considered. County has the right to request pricing decreases at any time.

D. Pricing & Expenditures Cap

1. Payment and pricing terms for the initial and renewal terms are subject to the fee schedule in Exhibit D. Notwithstanding the above, County expenditures under the Agreement will not exceed \$357,707.19 annually, for a total five year amount of \$1,788,535.97, for the Contract term without a written amendment to this Agreement. Recurring fees will commence upon issuance of Notice to Proceed.

DI. Entire Agreement

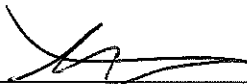
1. This Agreement constitutes the entire agreement between the Parties.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their undersigned authorized representatives, who are duly authorized to bind the Parties to the Agreement.

Pinellas County Florida, a political subdivision of the State of Florida

CONTRACTOR: Gallagher Benefits Services, Inc.

By: _____
Signature



Authorized Signature

Name: _____
Typed, printed or stamped

Grant Podsobinski

Printed Authorized Signature

Title: _____

Central Florida Market Leader

Title Authorized Signature

Date: _____

APPROVED AS TO FORM

By: Keiah Townsend
Office of the County Attorney

EXHIBIT C – STATEMENT OF WORK

Proposal Title: Employee Benefits Consulting Services

Proposal Number: 24-0177-ITN

A. **OBJECTIVE:**

This agreement for Pinellas County Unified Personnel System (the County) establishes services for Employee Benefits Consulting Services.

B. **SCOPE OF WORK:**

The services provided by the Consultant shall include but not be limited to:

1. **Basic Ongoing Services for Health and Welfare Consulting:**

- a. Lead consultant must meet the requirements for service, have applicable experience in the marketplace developing strategy for other clients with 1,000+ employees, specifically governmental agencies.
- b. Support County staff with annual enrollment.
- c. Quarterly review of: medical, Medicare advantage, vision, pharmacy, deferred compensation & dental plans.
- d. Plan design evaluation and benchmarking.
- e. Renewal evaluations and negotiations (upon request) which must include calculations of premium rates and imputed income.
- f. Plan funding and premium contribution strategies for annual budget cycle.
- g. Assistance with any administrative issues with health plan vendors.
- h. Accompany County benefits representatives on regular meetings with health plan vendors.
- i. On-site and virtual meetings with Human Resources and other senior management staff, and inclusion on Benefits Advisory Committee meetings.
- j. Weekly briefings between account manager and County benefits manager.
- k. In-person presentations to senior management groups including Appointing Authorities and Board of County Commissioners.
- l. Assist with any necessary filings to ensure compliance.
- m. Availability of services from licensed clinical specialists engaged by the consulting firm including but not limited to medical doctors, pharmacists and nurse case managers.
- n. Ongoing services in selection, implementation and evaluation of health and wellness programming Specific programs as described below.
- o. Manage existing voluntary benefits and/or ancillary programs at no cost to County by deriving payment through product commissions.
- p. Assist the County with evaluating the clinical program expertise of vendors including but not limited to case management, disease management, large claim management, and any others.
- q. Partner with the County's current medical vendor to provide a Customer Care Management Unit (CCMU) program or similar program for Pinellas County employees.

2. **Medicare D Retiree Drug Subsidy (RDS) Administrative Services (Ongoing)**

- a. Assume 30 lives in the self-funded Medicare supplement plan.
- b. Assume 2,100 fully insured Medicare supplement plan.
- c. Advise County of RDS required activities, documentation, filing and application requirements.
- d. Complete necessary documents and applications for County review and submission.
- e. Conduct actuarial attestation.
- f. Submit required eligibility, enrollment and claims data to RDS working in concert with the County and the pharmacy plan vendor.
- g. Assist in responding to RDS inquiries, denials or other communication, upon request.
- h. Assist County with creating and presenting benefits education to employees, including but not limited to education on plan options, spending arrangements, deferred compensation, etc., upon request.
- i. Other services as might be needed or required.

3. **Required Services**

a. **Data Aggregation Services**

- I. Assume 3,200 active employees and 2,300 retirees.
- II. Collect and aggregate claims data from the medical, dental, vision, pharmacy, mental health and disability vendors.

EXHIBIT C – STATEMENT OF WORK

- III. Perform analysis of aggregated data for use in identifying, quantifying and evaluating areas of significant short- and long-term cost impact
- IV. Produce comprehensive reports quarterly, including cost trend components and their impact as well as areas of opportunity in controlling costs.

b. Group Health and Dental Plan RFP

Claims experience and enrollment data will come from medical, mental health, pharmacy, vision and all relevant sources from providers of the County benefits.

- I. Assist County staff with designing specifications and provide same for RFP's for self-funded medical plan, mental health, pharmacy benefits management, vision care and specific stop loss coverage
- II. Review and evaluate responses, prepare written analysis including a detailed discount analysis for our major service providers and recommendations for County's consideration.
- III. Assist, if requested, in contract negotiations and development/or review of any vendor performance guarantees
- IV. Evaluate vendors implemented technology capabilities (e.g.: claims payment systems, call centers, care coordination, etc.) for adherence to industry standards or norm. Comment on any proposed systems changes or "upgrades" that might affect the County's plan,
- V. Assistance with any implementation issues that might arise,

c. Medical Claims Audit

- I. Assume annual medical claim volume of 105,000 from an average of 6,500 members. (Cigna Health and Life Insurance is the current medical vendor)
- II. Electronic audit of medical claims against contracted terms
- III. Ensure discounts and pricing accuracy
- IV. Identify discrepancies and errors, work in an active process with County staff and the vendor to validate and resolve them.
- V. Other forms of audit for County consideration

d. Pharmacy Claims Audit

- I. Assume annual pharmacy claim volume of 95,000 from an average of 6,500 members. (Express Scripts is the current pharmacy vendor)
- II. Electronic audit of pharmacy claims against contracted terms
- III. Ensure discounts and pricing accuracy
- IV. Identify discrepancies and errors, work in an active process with County staff and the vendor to validate and resolve them
- V. Ensure the pharmacy vendors' implementation of claim reimbursement changes necessitated by the data decision produced no loss to the County plan
- VI. Other forms of audit for County consideration

e. Project Services Which May Be Requested In the Future

- I. Assist with RFP process for dental, life insurance, COBRA, deferred compensation, flexible spending accounts, voluntary benefits short- and long-term disability programs.
- II. Dependent Eligibility Audit:
 - 1) Assume enrollment of 3,000 employees (7,800 total members including dependents)
 - 2) Comprehensive physical audit of group health plan dependents against eligibility guidelines of the plan
 - 3) Communication of the vendor directly with employees
 - 4) Request by vendor for supporting documentation
 - 5) Review of documentation against guidelines
 - 6) Provide records of your activity and the documents submitted by members to the County
 - 7) Report to County of results
- III. Develop plan design alternatives and recommendations as appropriate for future health care trends and/or regulatory changes for both active and retired employee populations.
- IV. Provide comprehensive communication services upon request, assist in scripting primary and secondary messages, developing new or enhancing existing print and electronic communications for benefits and health/wellness.
- V. Assist County in identifying any cost saving from outsourcing certain benefit functions.
- VI. Benefits Valuation study every 2-3 years.
- VI. Non-discrimination testing.

EXHIBIT B - PAYMENT SCHEDULE

BID TITLE: Benefits Consulting
 BID NUMBER: 24-0177-P



Vendor:	Gallagher Benefit Services Inc
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Provided Services						
Basic Ongoing Employee Benefits Consulting - Annual Escalation Increase (after Year 1):		5%				
DESCRIPTION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	EXTENDED TOTAL
Basic Ongoing Employee Benefits Consulting • Compliance • Employee Communications • Actuarial Service for Plan Funding • RFP Service for Dental, Vision, Life, FMLA/Short Term & Long Term Disability, COBRA, Health Savings Accounts, Deferred Comp, Voluntary Benefits and Medicare Advantage • Consulting on all lines of Coverage • Wellness Plan Consulting • Vendor Management • Client Services • Employee Advocacy Services • Pharmacy Consulting • Medical Clinical Support • Retirement Plan Employee Support <i>Commissions resulting in the placement of worksite voluntary benefits are not included in the above fee compensation.</i>	\$ 255,000.00	\$ 267,750.00	\$ 281,137.50	\$ 295,194.38	\$ 309,954.09	\$ 1,409,035.97
Medicare D Subsidy Administrative Services (\$6,000 per year)	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 30,000.00
Data Integration Services (\$60,000 per year)	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 300,000.00
Dependent Eligibility Audit – Service Requested for 2024						\$ 49,500.00

Project Based Services	
DESCRIPTION	RATE
Medical Plan RFP	\$ 50,000.00
Pharmacy Plan RFP	\$ 70,000.00
Medical Claims Audit	\$ 50,000.00
Pharmacy Plan Claims Audit	\$ 50,000.00
Deferred Compensation Support	\$ 60,000.00
Dependent Eligibility Audit	\$ 49,500.00
457 Plan Benchmarking	\$ 7,500/vendor
OPEB Liability	TBD; Requested by the county on an as-needed basis
Worksite Benefits	TBD; Carrier based commissions

5-YEAR LUMP SUM TOTAL	\$ 1,788,535.97
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EXHIBIT E - INSURANCE REQUIREMENTS

1. LIMITATIONS ON LIABILITY

By submitting a Proposal, the Vendor acknowledges and agrees that the services will be provided without any limitation on the Vendor's liability. The County objects to and shall not be bound by any term or provision that purports to limit the Vendor's liability to any specified amount in the performance of the services. The Vendor shall state any exceptions to this provision in its response, including specifying the proposed limits of liability in the stated exception to be included in the Services Agreement. The Vendor is deemed to have accepted and agreed to provide the services without any limitation on the Vendor's liability that the Vendor does not take exception to in its response. Notwithstanding any exceptions by the Vendor, the County reserves the right to declare its prohibition on any limitation on the Vendor's liability as non-negotiable, to disqualify any Proposal that includes exceptions to this prohibition on any limitation on the Vendor's liability, and to proceed with another responsive, responsible proposal, as determined by the County in its sole discretion.

2. INDEMNIFICATION

Vendor agrees to indemnify, pay the cost of defense, including attorney's fees, and hold harmless the County, its officers, employees and agents from all damages, suits, actions or claims, including reasonable attorney's fees incurred by the County, of any character brought on account of any injuries or damages received or sustained by any person, persons, or property, or in any way relating to or arising from the Agreement; or on account of any act or omission, neglect or misconduct of Contractor; or by, or on account of, any claim or amounts recovered under the Workers' Compensation Law; or of any other laws, regulations, ordinance, order or decree; or arising from or by reason of any actual or claimed trademark, patent or copyright infringement or litigation based thereon; or for any violation of requirements of the Americans with Disabilities Act of 1990, as may be amended, and all rules and regulations issued pursuant thereto (collectively the "ADA") except when such injury, damage, or violation was caused by the sole negligence of the County.

3. INSURANCE:

The Vendor must provide a certificate of insurance and endorsement in accordance with the insurance requirements listed below, prior to recommendation for award.

The Vendor shall obtain and maintain and require any subcontractor to obtain and maintain, at all times during its performance of the Agreement, insurance of the types and in the amounts set forth. For projects with a Completed Operations exposure, Vendor shall maintain coverage and provide evidence of insurance for two (2) years beyond final acceptance. All insurance policies shall be from responsible companies duly authorized to do business in the State of Florida and have an AM Best rating of A- VIII or better.

- A. Submittals should include, the Vendor's current Certificate(s) of Insurance. If Vendor does not currently meet insurance requirements, Vendor shall also include verification from their broker or agent that any required insurance not provided at that time of submittal will be in place prior to the award of contract.

Upon selection of Vendor for award, the selected Vendor shall email certificate that is compliant with the insurance requirements. If the certificate received is compliant, no further action may be necessary. The Certificate(s) of Insurance shall be signed by authorized representatives of the insurance companies shown on the Certificate(s). **The Certificate holder section shall indicate Pinellas County, a Subdivision of the State of Florida, 400 S Fort Harrison Ave, Clearwater, FL 33756. Pinellas County shall be named as an Additional Insured for General Liability. A Waiver of Subrogation for Workers Compensation shall be provided if Workers Compensation coverage is a requirement.**

- B. Approval by the County of any Certificate(s) of Insurance does not constitute verification by the County that the insurance requirements have been satisfied or that the insurance policy shown on the Certificate(s) of Insurance is in compliance with the requirements of the Agreement. The County

reserves the right to require a copy of the entire insurance policy in the event of a claim, including endorsement(s), at any time during the contract period.

- C. If any insurance provided pursuant to the Agreement expires or cancels prior to the completion of the work you will be notified by CTrax, the authorized Vendor of Pinellas County. Upon notification, renewal certificate(s) of Insurance and endorsement(s) should be furnished to Pinellas County Risk Management at InsuranceCerts@pinellascounty.org and to CTrax c/o JDi Data at PinellasSupport@jdidata.com by the Vendor or their agent prior to the expiration date.
- 1) The Vendor shall also notify the County within twenty-four (72) hours after receipt, of any notices of expiration, cancellation, nonrenewal or adverse material change in coverage received by said Vendor from its insurer. Notice shall be given by email to Pinellas County Risk Management at InsuranceCerts@pinellascounty.org. Nothing contained herein shall absolve Vendor of this requirement to provide notice.
 - 2) Should the Vendor, at any time, not maintain the insurance coverages required herein, the County may terminate the Agreement.
- D. If subcontracting is allowed under this RFP, the Primary Vendor shall obtain and maintain, at all times during its performance of the Agreement, insurance of the types and in the amounts set forth; and require any Subcontractors to obtain and maintain, at all times during its performance of the Agreement, insurance limits as it may apply to the portion of the Work performed by the Subcontractor; but in no event will the insurance limits be less than \$500,000 for Workers' Compensation/Employers' Liability, and \$1,000,000 for General Liability and Auto Liability if required below.

All subcontracts between the Vendor and its Subcontractors shall be in writing and are subject to the County's prior written approval. Further, all subcontracts shall

- 1) Require each Subcontractor to be bound to the Vendor to the same extent the Vendor is bound to the County by the terms of the Contract Documents, as those terms may apply to the portion of the Work to be performed by the Subcontractor;
 - 2) Provide for the assignment of the subcontracts from the Vendor to the County at the election of Owner upon termination of the Contract;
 - 3) Provide that County will be an additional indemnified party of the subcontract;
 - 4) Provide that the County will be an additional insured on all insurance policies required to be provided by the Subcontractor except workers compensation and professional liability;
 - 5) Provide a waiver of subrogation in favor of the County and other insurance terms and/or conditions as outlined below;
 - 6) Assign all warranties directly to the County; and
 - 7) Identify the County as an intended third-party beneficiary of the subcontract. The Vendor shall make available to each proposed Subcontractor, prior to the execution of the subcontract, copies of the Contract Documents to which the Subcontractor will be bound by this Section C and identify to the Subcontractor any terms and conditions of the proposed subcontract which may be at variance with the Contract Documents.
- E. Each insurance policy and/or certificate shall include the following terms and/or conditions:
- 1) The Named Insured on the Certificate of Insurance and insurance policy must match the entity's name that responded to the solicitation and/or is signing the agreement with the County.
 - 2) Companies issuing the insurance policy, or policies, shall have no recourse against County for payment of premiums or assessments for any deductibles which all are at the sole responsibility and risk of Vendor.
 - 3) The term "County" or "Pinellas County" shall include all Authorities, Boards, Bureaus, Commissions, Divisions, Departments and Constitutional offices of County and individual

members, employees thereof in their official capacities, and/or while acting on behalf of Pinellas County.

- 4) All policies shall be written on a primary, non-contributory basis.

The minimum insurance requirements and limits for this Agreement, which shall remain in effect throughout its duration and for two (2) years beyond final acceptance for projects with a Completed Operations exposure, are as follows:

- 1) **Workers' Compensation Insurance** Worker's Compensation Insurance is required if required pursuant to Florida law. If, pursuant to Florida law, Worker's Compensation Insurance is required, employer's liability, also known as Worker's Compensation Part B, is also required in the amounts set forth herein.

Limits

Employers' Liability Limits	Florida Statutory
Per Employee	\$ 500,000
Per Employee Disease	\$ 500,000
Policy Limit Disease	\$ 500,000

If Vendor/Contractor is not required by Florida law, to carry Workers Compensation Insurance in order to perform the requirements of this Agreement, County Waiver Form for workers compensation must be executed, submitted, and accepted by Risk Management. Failure to obtain required Worker's Compensation Insurance without submitting and receiving a waiver from Risk Management constitutes a material breach of this Agreement.

- 2) **Commercial General Liability Insurance** including, but not limited to, Independent Vendor, Contractual Liability Premises/Operations, Products/Completed Operations, and Personal Injury.

Limits

Combined Single Limit Per Occurrence	\$ 1,000,000
Products/Completed Operations Aggregate	\$ 2,000,000
Personal Injury and Advertising Injury	\$ 1,000,000
General Aggregate	\$ 2,000,000

- 3) **Professional Liability (Errors and Omissions) Insurance** with at least minimum limits as follows. If "claims made" coverage is provided, "tail coverage" extending three (3) years beyond completion and acceptance of the project with proof of "tail coverage" to be submitted with the invoice for final payment. In lieu of "tail coverage", Proposer may submit annually to the County, for a three (3) year period, a current certificate of insurance providing "claims made" insurance with prior acts coverage in force with a retroactive date no later than commencement date of this contract.

Limits

Each Occurrence or Claim	\$ 5,000,000
General Aggregate	\$ 5,000,000

For acceptance of Professional Liability coverage included within another policy required herein, a statement notifying the certificate holder must be included on the certificate of insurance and the total amount of said coverage per occurrence must be greater than or equal to the amount of Professional Liability and other coverage combined.

- 4) **Cyber Risk Liability (Network Security/Privacy Liability) Insurance** including cloud computing and mobile devices, for protection of private or confidential information whether electronic or non-electronic, network security and privacy; privacy against liability for system attacks, digital asset loss, denial or loss of service, introduction, implantation or spread of malicious software code, security breach, unauthorized access and use; including regulatory action expenses; and notification and credit monitoring expenses with at least minimum limits as follows:

Limits

Each Occurrence	\$ 2,000,000
General Aggregate	\$ 2,000,000

For acceptance of Cyber Risk Liability coverage included within another policy required herein, a statement notifying the certificate holder must be included on the certificate of insurance and the total amount of said coverage per occurrence must be greater than or equal to the amount of Cyber Risk Liability and other coverage combined.

- 5) **Property Insurance** Vendor will be responsible for all damage to its own property, equipment and/or materials.