

City of Albuquerque

Request for Proposals

“Employee Health Care Insurance”



Proposal Due Date: 27 February 2006 4:00 PM (MST)

The time and date proposals are due shall be strictly observed.

City of Albuquerque
Department of Finance and Administrative Services
Purchasing Division
02/01/06

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INTRODUCTION

The City of Albuquerque is requesting proposals for Group health care coverage for employees of the City of Albuquerque and Participating Governmental Entities during the fiscal year, which begins July 1, 2006 and ends June 30, 2007. The City seeks proposals, which offer services beyond the identified fiscal year.

The City currently offers two HMO choices to employees. The purpose of this Request for Proposals (RFP) is to provide the City with an option(s) in providing health care to our employees. The City is seeking innovative offers which incorporate in-plan HMO options with PPO or similar or opt-out characteristics designed to provide members with access to the broad scope of locally available medical services that may not be specifically available within the Offeror's in-plan providers.

In considering carrier(s), the City is seeking a plan(s) of demonstrated size and service capability with management systems and procedures capable of providing benefits to a major employer of the magnitude encompassed by the City and its Participating Governmental Entities. The purpose of this RFP is to obtain the best possible price for participating employers and their employees. The City is particularly interested in carriers with a demonstrated commitment to providing consistent, valuable and timely utilization information, which must comply with data requirements and reporting frequency.

The City is concerned about the wellness of our employee base. Carriers will need to demonstrate the ability to provide an aggressive in house wellness outreach program coupled with the data component to help analyze and direct the wellness effort of the City or be able to contract for this service. The evaluation and selection process will emphasize the concerns outlined in this Introduction.

The City of Albuquerque will be the contracting entity. Upon award, contracted rates shall be firm for the entire contract period. Governmental entities participating under the City of Albuquerque contract are:

<u>Entity</u>	<u>Eligible</u>	<u>Enrolled</u>	<u>Contribution</u>
City of Albuquerque	6,702	5,945	83/17
Bernalillo County	1,500	1,266	80/20
Sandoval County	400	306	70/30
Middle Rio Grande Cons. Dist.	200	142	60/40
Town of Bernalillo	66	52	60/40
Village of Los Ranchos	19	15	70/30
Village of Tijeras	13	9	60/40
Village of Cuba	25	15	80/20
Village of Corrales	57	19	70/30
Village of Bosque Farms	26	25	80/20
COBRA			
Total	9,008	7,794	

Current health care contractors provide free flu shots and participate in four (4) Health Fairs offered to employees each year. This feature is expected to continue under any change in carriers to maintain employee wellness and to prevent health care utilization associated with related in-patient care.

The City is requesting rate quotes which include (1) health care rates with no vision plan; (2) health care rates with a vision discount plan; Within the Scope of Work (Part 3,) rates are requested which reflect these two options.

Eligibility for participation, coverage effective dates, and other criteria which successful offerors must comply with, are outlined in Part 5, Proposed Contract, Appendix 1, City Administrative Provisions and in Appendix 9, City Employee Benefits Booklet. The City requires that participation guidelines duplicate existing City benefits criteria. Participation, utilization and rate history (Appendices 1 through 5) are included for use in developing a proposal. City staff will be responsible for determination of eligibility, enrollment and termination transactions. Enrollment and termination will be recorded on a City enrollment form (Appendix 7).

The City requires receipt of a draft benefit booklet within 30 days of award of the contract. All booklet information and benefits offered must comply with state and federal legislation. Offerors shall include a statement of agreement with the terms of the proposed Contract, Part 5, of this RFP or state and justify exceptions. The successful Offeror shall submit, within 30 days of award, a contract document in accordance with standards established by Part 5 and Appendix 1 of this RFP.

All materials prepared to explain the plan of benefits, rules, procedures, etc., to employees must be pre-approved by the City Human Resources Department. Decisions on how plan information will be distributed to employees during open enrollment, including whether employee meetings will be held and how they will be conducted, will be made by the City after consultation with successful offerors.

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**PART 1
INSTRUCTIONS TO OFFERORS**

1.1 RFP Number and Title: RFP2006-011-SV, "Employee Health Care Insurance"

1.2 Proposal Due Date: 27 February 2006 by 4:00 PM (MDT)

The time and date proposals are due shall be strictly observed.

1.3 Purchasing Office: This RFP is issued on behalf of the City of Albuquerque by the Purchasing Office, which is the sole point of contact during the entire procurement process.

1.4 Authority: Chapter 5, Article 5 of the Revised Ordinances of the City of Albuquerque, 1994, (the "Public Purchases Ordinance"). The City Council, pursuant to Article 1 of the Charter of the City of Albuquerque and Article X, Section 6 of the Constitution of New Mexico, has enacted this ordinance as authorized by such provisions and for the purpose of providing maximum local self-government. To that end, it is intended that this ordinance shall govern all purchasing transactions of the City and shall serve to exempt the City from all provisions of the New Mexico Procurement Code, as provided in Section 13-1-98K, NMSA 1978.

1.5 Acceptance of Offer: Acceptance of Offer is contingent upon Offeror's certification and agreement by submittal of its offer, to comply and act in accordance with all provisions of the following:

1.5.1 City Public Purchases Ordinance

1.5.2 City Purchasing Rules and Regulations: City of Albuquerque Purchasing Rules and Regulations: These Rules and Regulations (hereinafter "Regulations") are written to clarify and implement the provisions of the Public Purchases Ordinance. These Regulations establish policies, procedures, and guidelines relating to the procurement, management, control, and disposal of goods, services, and construction, as applicable, under the authority of the Ordinance.

1.5.3 Civil Rights Compliance: Acceptance of offer is contingent upon the Offeror's certification and agreement by submittal of its offer, to comply and act in accordance with all provisions of the Albuquerque Human Rights Ordinance, the New Mexico Human Rights Act, Title VII of the U.S. Civil Rights Act of 1964, as amended, and all federal statutes and executive orders, New Mexico statutes and City of Albuquerque ordinances and resolutions relating to the enforcement of civil rights and affirmative action. Questions regarding civil rights or affirmative action compliance requirements should be directed to the City of Albuquerque Human Rights Division, Community Services Department.

1.5.4 Americans with Disabilities Act Compliance: Offeror certifies and agrees, by submittal of its offer, to comply and act in accordance with all applicable provisions of the Americans With Disabilities Act of 1990 and Federal regulations promulgated there under.

1.5.5 Insurance and Bonding Compliance: Acceptance of offer is contingent upon Offeror's ability to comply with the insurance requirements as stated herein. Please include a copy(s) of such certification or statement of compliance in your proposal.

1.5.6 Ethics:

1.5.6.1 Fair Dealing. The Offeror warrants that its proposal is submitted and entered into without collusion on the part of the Offeror with any person or firm, without fraud and in good faith. Offeror also warrants that no gratuities, in the form of entertainment, gifts or otherwise, were, or will be offered or given by the Offeror, or any agent or representative of the Offeror to any officer or employee of the City with a view toward securing a recommendation of award or subsequent contract or for securing more favorable treatment with respect to making a recommendation of award.

1.5.6.2 Conflict of Interest. The Offeror warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under the contract resulting from this RFP. The Offeror also warrants that, to the best of its knowledge, no officer, agent or employee of the City who shall participate in any decision relating to this RFP and the resulting contract, currently has, or will have in the future, a personal or pecuniary interest in the Offeror's business.

1.5.7 Participation/Offeror Preparation: Offeror may not use the consultation or assistance of any person, firm company who has participated in whole or in part in the writing of these specifications or the Scope of Services, for the preparation of its offer or in the management of its business if awarded the contract resulting from this RFP.

1.5.8 Debarment or Ineligibility Compliance: By submitting its offer in response to this RFP, the Offeror certifies that (i) it has not been debarred or otherwise found ineligible to receive funds by any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States; and (ii) should any notice of debarment, suspension, ineligibility or exclusion be received by the Offeror, the Offeror will notify the City immediately.

1.5.9 Goods Produced Under Decent Working Conditions. It is the policy of the City not to purchase, lease, or rent goods for use or for resale at City owned enterprises that were produced under sweatshop conditions. The Offeror certifies, by submittal of its offer in response to this solicitation, that the goods offered to the City were produced under decent working conditions. The City defines "under decent working conditions" as production in a factory in which child labor and forced labor are not employed; in which adequate wages and benefits are paid to workers; in which workers are not required to work more than 48 hours per week (or less if a shorter workweek applies); in which employees are free from physical, sexual or verbal harassment; and in which employees can speak freely about working conditions and can participate in and form unions. [Council Bill No. M-8, Enactment No. 9-1998]

1.6 City Contact: The sole point of contact for this Request for Proposals is the City of Albuquerque Purchasing Division. Contact the following individual(s) regarding this RFP:

- Sandra Vescovi, Contract Section Supervisor, Department of Finance and Administrative Services, Purchasing Division,
- Phone: (505) 768-3341 or E-Mail: svescovi@cabq.gov
- Post Office Box 1293, Albuquerque, New Mexico 87103

1.7 Contract Management: The contract resulting from this RFP will be managed by Human Resources Department, Insurance and Benefits Division.

1.8 Clarification: Any explanation desired by an Offeror regarding the meaning or interpretation of this Request For Proposals must be requested in writing not less than ten (10) working days prior to the hour and date specified for the receipt of offers to allow sufficient time for a reply to reach Offerors before the submission of their offers. All inquiries must be directed to the Purchasing Office as stated herein. Oral explanations or instructions given before the award of the contract or at any time will not be binding. Any information given to a prospective Offeror concerning this Request For Proposals, will be furnished to all prospective Offerors as an amendment to this Request for Proposals, if such information is necessary to Offerors in submitting offers on this Request For Proposals or if the lack of such information would be prejudicial to uninformed Offerors.

1.9 Submission of Offers: The Offeror's sealed proposal must be in the format outlined in Part 2 of this Request for Proposals and mailed or delivered pursuant to the following requirements:

1.9.1 Envelope preparation. Offers and modifications thereof shall be enclosed in sealed envelopes and have the following identifying information on the outside:

- Name and address of Offeror
- Closing Date and Time
- Request for Proposals Number
- RFP Title

1.9.2 Ship, Deliver or Hand Carry Sealed Offers to: The Office of the City Clerk, City /County Government Center, 11th Floor, One Civic Plaza, Albuquerque, New Mexico 87102. Mark all packages as stated above.

1.9.3 Mail Sealed Responses to: Office of the City Clerk, Post Office Box 1293, Albuquerque, New Mexico 87103. (Certified Mail is recommended). The City shall not be responsible for the failure of mailed offers to actually be received by the Office of the City Clerk by 4:00 of the day of closing.

Note: The City picks up mail at the post office **once** every morning at 7:00 AM (Local Time). **Note: ALL SEALED PROPOSALS MUST BE RECEIVED BY THE OFFICE OF THE CITY CLERK NO LATER THAN 4:00 PM, LOCAL TIME AS RECORDED IN THE CITY CLERK'S OFFICE.**

1.9.4 No other methods of offer delivery: Neither telephone, facsimile, electronic, nor telegraphic offers shall be accepted.

1.9.5 Number and Form of Proposals to be Submitted.

1.9.5.1 Hard Copy: Submit 1 original and 7 copies of your Proposal

1.9.5.2 Electronic Copy: Submit 1 original electronic copy (CD or Diskette)

1.9.6 Modification: Offers may be modified or withdrawn by written notice provided such notice is received prior to the hour and date specified for receipt of offers.

1.9.7 Failure to Submit Offer: If no offer is to be submitted, the recipient shall not return the Request For Proposals.

1.10 Receipt of Proposals: The only acceptable evidence to establish the time of receipt of proposals at the City Clerk's Office is the time-date stamp of such office on the proposal wrapper or other documentary evidence of receipt maintained by the office.

1.11 Acknowledgment of Amendments To the Request For Proposals: Receipt of an amendment to the Request For Proposals by an Offeror must be acknowledged (a) by signing and returning the amendment, or (b) by letter. Such acknowledgment may be submitted with your offer. Such acknowledgment must be received prior to the hour and date specified for receipt of offers.

1.12 Modifications to Scope of Services: In the event that sufficient funds do not become available to complete each task in the Scope of Services, the Scope of Services may be amended, based upon the cost breakdown required in the Cost Proposal.

1.13 Draft Agreement: A copy of the Draft Agreement to be entered into is attached. Please state that you accept the terms and conditions of the Draft Agreement, or note exceptions.

1.14 Evaluation period: The City reserves the right to analyze, examine and interpret any offer for a period of ninety (90) days after the hour and date specified for the receipt of offers.

1.15 Evaluation Assistance: The City of Albuquerque, in evaluating proposals, reserves the right to use any assistance deemed advisable, including City contractors and consultants.

1.16 Rejection and Waiver: The City reserves the right to reject any or all offers and to waive informalities and minor irregularities in offers received.

1.17 Debarment of Offeror: Any proposal received from an Offeror that is, at the time of submitting its proposal or prior to receipt of award of a contract, debarred by or otherwise ineligible to receive funds from any agency of the State of New Mexico, any local public body of the State, or any state of the United States, shall be rejected.

1.18 Award of Contract:

1.18.1 When Award Occurs: Award of contract occurs when a Purchase Order is issued or other evidence of acceptance by the City is provided to the Offeror. A Recommendation of Award does not constitute award of contract.

1.18.2 Award: If a contract is awarded, it shall be awarded to the responsive and

responsible Offeror whose offer conforming to the Request for Proposals will be most advantageous to the City as set forth in the Evaluation Criteria.

1.18.3 Contract Term: The contract term shall be for a period of one year from the effective date of execution of the contract and/or final execution by the City. This contract term may be extended for up to ten additional one-year periods by mutual written agreement between the City and the Contractor.

1.18.4 Type of Contract: Firm fixed price.

1.18.5 Debarment/Cancellation of Contract: Upon receipt of notice of debarment of an Offeror awarded a contract as a result of this RFP (the "Contractor"), or other ineligibility of the Contractor to receive funds from any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States, the City shall have the right to cancel the contract with the Contractor resulting from this RFP for cause as provided in accordance with the terms of said contract.

1.18.6 Graffiti Free: When required, the Contractor will be required to furnish equipment, facilities, or other items required to complete these services, that are "graffiti free". Failure of Contractor to comply with this requirement may result in cancellation of the contract resulting from this RFP.

1.19 Cancellation: This Request for Proposals may be canceled and any and all proposals may be rejected in whole or in part when it is in the best interest of the City.

1.20 Negotiations: Negotiations may be conducted with the Offeror(s) recommended for award of contract.

1.21 City-Furnished Property: No material, labor, or facilities will be furnished by the City unless otherwise provided for in the Request for Proposals.

1.22 Proprietary Data: This Request for Proposals shall be open to public inspection after the recommendation of award of a contract has been signed by the Mayor, except to the extent the Offeror designates trade secrets or other proprietary data to be confidential. Material so designated must be separated from the Offeror's main proposal and each page shall be clearly marked in order to be considered confidential and to facilitate public inspection of the non-confidential portion of the proposal. Prices and makes and models or catalog numbers of the items offered, deliveries, and terms of payment shall be publicly available regardless of any designation to the contrary. The City of Albuquerque will endeavor to restrict distribution of the material designated as confidential or proprietary to only those individuals involved in the review and analysis of the proposals. Offerors are cautioned that materials designated as confidential may nevertheless be subject to disclosure under the New Mexico Inspection of Public Records Act (Sections 14-2-1 et seq, NMSA 1978).

1.23 Local and Resident Preference: A preference for local and state businesses is available under the City of Albuquerque Public Purchases Ordinance, for this procurement (Part 6). If a completed Local Preference Certification Form, or a current and correct Resident Preference

Number, or evidence to indicate that a company is a manufacturer (if applicable), is not received with the Offeror's response a preference will not be applied for that offer. The Form, the Number, or other evidence will not be accepted after the deadline for receipt of proposals. For those Offerors qualifying for the preference, a 1.05 multiplier will be applied to the total raw score. Only one preference will apply for this procurement. Local Preference supersedes all other preferences.

1.24 REQUEST FOR PROPOSALS (RFP) PROTEST PROCESS:

1.24.1 When: If the protest concerns the specifications for a competitive solicitation or other matters pertaining to the solicitation documents, it must be received by the Purchasing Officer no later than ten working days prior to the deadline for the receipt of offers.

1.24.2 Recommendation of Award: If the protest concerns other matters relating to this solicitation, the protest must be filed within ten working days after the receipt of notice of the Recommendation of Award.

1.24.3 Timely Protests: Protests must be received by the Purchasing Officer prior to the appropriate deadline as set out herein, or they will not be considered valid. The Purchasing Officer may waive the deadline for good cause, including a delay caused by the fault of the City. Late delivery by the U.S. Postal Service or other carrier shall not be considered good cause.

1.24.4 How to File: The protest shall be addressed to the Purchasing Officer, must be submitted in written form and must be legible. Protests may be hand-delivered or mailed. Facsimile, telephonic, telegraphic or electronic protests will not be accepted.

1.24.5 Required Information: The protest shall contain at a minimum the following;

- The name and address of the protesting party;
- The number of the competitive solicitation;
- A clear statement of the reason(s) for the protest;
- Details concerning the facts, which support the protest;
- Attachments of any written evidence available to substantiate the claims of the protest; and
- A statement specifying the ruling requested.

1.24.6 Address Letters and Envelopes as Follows:

- City of Albuquerque RFP Number
- Purchasing Division PROTEST
- PO Box 1293 Albuquerque, New Mexico 87103

1.24.7 Protest Response by Purchasing Officer: All protests will be responded to by the Purchasing Officer upon evaluation. The Purchasing Officer will, after evaluation of a protest, issue a response. Only the issues outlined in the written protest will be considered by the Purchasing Officer.

1.24.8 Protest Hearing: If a hearing is requested, the request must be included in the

protest and received within the time limit to be allowed. The filing fee of twenty dollars (\$20.00) must accompany the request for hearing. Only the issues outlined in the protest will be considered by the Purchasing Officer, or may be raised at a protest hearing. The granting of a hearing shall be at the discretion of the Purchasing Officer following review of the request.

1.25 BONDS and INSURANCE:

1.25.1 General Conditions: The City will require that the successful Offeror, referred to as the Contractor, procure and maintain at its expense during the term of the contract resulting from the RFP, insurance in the kinds and amounts hereinafter provided with insurance companies authorized to do business in the State of New Mexico, covering all operations of the Contractor under the contract. Upon execution of the contract and on the renewal of all coverage, the Contractor shall furnish to the City a certificate or certificates in form satisfactory to the City showing that it has complied with these insurance requirements. All certificates of insurance shall provide that thirty (30) days written notice be given to the Risk Manager, Department of Finance and Administrative Services, City of Albuquerque, P.O. Box 470, Albuquerque, New Mexico, 87103, before a policy is canceled, materially changed, or not renewed. Various types of required insurance may be written in one or more policies. The City shall be named an additional insured for all coverages and the coverages afforded shall be primary with respect to operations provided.

1.25.2 Approval of Insurance: Even though the Contractor may have been given notice to proceed, it shall not begin any work under the contract resulting from this RFP until the required insurance has been obtained and the proper certificates (or policies) filed with the City. Neither approval nor failure to disapprove certificates, policies, or the insurance by the City shall relieve the Contractor of full responsibility to maintain the required insurance in full force and effect. If part of the contract is sublet, the Contractor shall include any or all subcontractors in its insurance policies, or require the subcontractor to secure insurance to protect itself against all hazards enumerated herein, which are not covered by the Contractor's insurance policies.

1.25.3 Coverage Required: The kinds and amounts of insurance required are as follows:

1.25.3.1 Commercial General Liability Insurance. A commercial general liability insurance policy with combined limits of liability for bodily injury or property damage as follows:

\$1,000,000	Per Occurrence
\$1,000,000	Policy Aggregate
\$1,000,000	Products Liability/Completed Operations
\$1,000,000	Personal and Advertising Injury
\$ 50,000	Fire Legal
\$ 5,000	Medical Payments

Said policy of insurance must include coverage for all operations performed for the

City by the Contractor and contractual liability coverage shall specifically insure the hold harmless provisions of the contract resulting from this RFP.

1.25.3.2 Automobile Liability Insurance. A comprehensive automobile liability insurance policy with liability limits in amounts not less than \$1,000,000 combined single limit of liability for bodily injury, including death, and property damage in any one occurrence. The policy must include coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment both on and off work.

1.25.3.3 Workers' Compensation Insurance. Workers' compensation insurance policy for the Contractor's employees, in accordance with the provisions of the Workers' Compensation Act of the State of New Mexico, (the "Act"). If the Contractor employs fewer than three employees and has determined that it is not subject to the Act, it will certify, in a signed statement, that it is not subject to the Act. The Contractor will notify the City and comply with the Act should it employ three or more persons during the term of the contract resulting from this RFP.

1.25.4 Increased Limits: During the life of the contract the City may require the Contractor to increase the maximum limits of any insurance required herein. In the event that the Contractor is so required to increase the limits of such insurance, an appropriate adjustment in the contract amount will be made.

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PART 2 PROPOSAL FORMAT

2.1 Technical Proposal Format, Section One

2.1.1 Offeror Identification: State name and address of your organization or office and nature of organization (individual, partnership or corporation, private or public, profit or non-profit). Subcontractors if any must be identified in a similar manner. Include name and telephone number of person(s) in your organization authorized to execute the Draft Agreement. Submit a statement of compliance with all laws stated herein. Submit a statement of agreement of the terms and conditions of the Draft Agreement; state exceptions. Show receipt of Addenda if applicable. Provide a statement or show ability to carry the insurance specified.

2.1.2 Experience:

2.1.2.1 Current Experience. State relevant experience of the company and person(s) who will be actively engaged in the proposed project, including experience of subcontractors. Submit resumes for the individuals who will be performing the services for the City.

2.1.2.2 Past Experience. Describe a minimum of three (3) projects of similar scope and size, which are now complete; state for whom the work was performed, year completed, and a reference person who can be contacted regarding the work. References must be for work performed in the past three to five (3 to 5) years. State relevant experience with other municipalities or government entities.

2.1.3 Proposed Approach to Tasks: Discuss fully your proposed approach to each of the tasks described in Part 3, Scope of Services and Appendix 8, Benefits Summary.

2.1.4 Management Summary: Describe individual staff and subcontractor's responsibilities with lines of authority and interface with the City of Albuquerque staff. Describe resources to be drawn from in order to complete tasks.

2.2 Rate Structure and Summary of Benefits Proposal

2.2.1 Rate Structure (Total Cost of services) as indicated in Part 3, Scope of Services and Appendix 8, Benefits Summary.

2.2.2 Rate Structure/Summary of Benefits Proposed should contain at least the following information and all of the information required in Appendix 8 where applicable:

2.2.2.1 The rates for the current coverage broken down by the four (4) tier rate structure on a monthly basis.

2.2.2.2 Proposal to include a fully participating contract with the surplus to be held or returned to the City.

2.2.2.3 Please include your breakdown of costs or formula for calculating expenses and reserves

2.2.2.4 Any additional costs for wellness should be included here along with your projected savings anticipated as a result of initiating this wellness program.

2.2.3 All Costs: All costs to be incurred and billed to the City should be described by the Offeror for each item, to allow for a clear evaluation and comparison, relative to other offers received. The Offeror should understand that the City will not pay for any amounts not included -- for example, insurance or taxes -- and that liability for items not included remains with the Offeror.

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PART 3
SCOPE OF SERVICES

3. The City is interested in establishing long term relationships with our carriers. The entire response to this Request for Proposals should be limited to 50 pages per instruction. Offerors must respond to the following :

3.1 RATE PROPOSAL. The City uses a four-tier rate structure. Provide your rate proposal (monthly cost) for Employee Only, Employee and Spouse, Single Parent and Family coverage. The City contracts directly with an insurance/benefits consultant. The City is also exempt from paying state premium tax. Rates quoted shall not include broker commissions or premium tax. Please include a statement that if approved by the City, rates quoted shall be guaranteed for the entire period offered unless the City requests plan or eligibility changes which affect risk. If offering more than one plan, provide a rate proposal for each plan offered.

3.1.1 The Proposal should assume a fully insured contract with the insurance carrier holding the IBNR reserve, but offering a participating or dividend eligible feature. The proposal should allow a final accounting of agreed upon expenses and claims with any surplus returning to the City. Any deficit carry-forwards would only be recouped from future surpluses and NOT be a part of the renewal calculations. This calculation and settlement would occur within 120 days of the renewal.

3.1.2 Rate proposals shall include separate proposals for each of the following categories:

3.1.2.1 A four-tier rate quote, using current eligibility criteria, reflecting monthly cost with no plan/eligibility criteria changes, except that no vision rider will be included.

3.1.2.2 A four-tier rate quote, using current eligibility criteria reflecting monthly cost with no plan/eligibility criteria changes, but which includes a vision discount program.

3.2 PLAN OF BENEFITS. Assume that the current Plan of Benefits will be matched. A PPO look-alike, matching current Co-pays is acceptable. The proposed Plan must have the same impact on employees as our current Plan. A statement to this affect must be included in your proposal. Provide a detailed description of benefits proposed, including covered benefits, limitations and exclusions, co payments, maximum benefits and other plan conditions. Provide a summary description of each benefit which you are offering which differs from current covered benefits (see Benefits Summaries-Appendix 8) and Employee Benefits Booklet-Appendix 9).

3.2.1 Each plan of benefits accepted by the City shall be guaranteed for the entire period offered.

3.2.2 Your proposal should be for the entire group on your network and also show a proposal for the half of the group that best fits your network. Since the City currently has two carriers, you should assume that two carriers may be selected to provide the best coverage for employees and you must agree to be a part of the selection as a part of this Proposal.

3.3 HEALTH AND WELLNESS. Describe the wellness program that is available through your organization. Particular attention should be directed to your ability to provide health risk assessments, health coaching, outreach calls to participants, reporting results, and cooperative consulting services. Any additional costs for these services should be identified separately.

3.3.1 The City is particular interested in an innovative “hands on” approach with our employees, whether this is traveling nurses to do follow-up coaching, and/or educational classes held at various City locations etc.

3.3.2 Also, state your commitment to providing free flu shots and participate in four (4) Employee Health Fairs for our employees annually, in addition to the above, please outline your communication efforts to support the Health and Wellness to a group of this size.

3.4 MAJOR EMPLOYER HEALTH PLAN. Please provide a list of major employers or contracts (including federal employees, Medicaid, Medicare, etc.) for whom you provide services in the State of New Mexico. Identify the number of subscribers enrolled under each plan. Provide a reference who can confirm the subscriber load, quality of the plan of benefits, quality of services and capabilities of your systems and procedures.

3.5 CLAIMS PAYMENT SYSTEM. Provide a detailed description of your claims payment system, including location of your claims payment office, cost management/cost containment procedures, payment time frames and other claims control/quality control procedures.

3.6 HEALTH CARE PROVIDERS. Provide a detailed listing of plan providers, including a detailed description of subscriber procedures and responsibilities in obtaining services. Please include a map of your in-plan service area (if applicable), physical certification process and detailed provider information (physicians, hospitals, specialties, labs, pharmacies). Discuss plans for provider expansion, if current in-plan panels are inadequate to meet City needs. Provide information regarding your provider contracts and contractual provision designed to protect subscriber rights (including but not limited to balance billing policy). In addition, the City is interested in knowing if performance measures/evaluations are required of your providers and how those are tracked.

3.7 PPO/OPT – OUT SYSTEM. Provide a detailed description of your out-of-plan option (if applicable), including a description of subscriber procedures and responsibilities in obtaining services.

3.8 PLAN DISCOUNTS. Please provide information which describes discount arrangements with your health care providers.

3.9 MANAGED CARE. Please identify the professional qualifications of your management review staff and provide a detailed description of your organizations managed care system and how it is expected to control costs under this proposal.

3.10 ADMINISTRATIVE SERVICES. Provide a detailed explanation of administrative services which you will provide and administrative costs covered under this proposal (admin overhead rate, booklets, enrollment info, etc.). Identify and estimate FY 2006 retention and/or expense costs. Include a discussion on no loss/no gain provisions and time frames for City implementation/transition.

3.11 ENROLLMENT FORM. Discuss the City Enrollment Form (Appendix 7) and identify any changes needed to conform with your requirements.

3.12 CONVERSION. Describe conversion benefits offered by your organization as part of COBRA legislation and separately from COBRA legislation. The City contracts for the administration of COBRA benefits for eligible ex-employees and dependents.

3.13 STATE/FEDERAL APPROVAL. The successful offeror must be approved by the New Mexico Department of Insurance to provide health care services under this proposal. Please provide information on your state/federal approval status.

3.14 COMPLIANCE WITH PART 5 and Appendix 1. The successful offeror must agree to the terms and conditions established within Part 5, Proposed Contract and Appendix 1, City Administrative Provisions. Please state your agreement and ability to comply. In particular, please note your agreement with the following provisions of Part 5: Section 4, Compensation and Method of Payment; Section 5, Mid-Year Plan Changes; Section 6, Member Protection; Section 7, Balance Billing, Section 14, Arbitration; and Section 24, Expiration of Agreement/Assuming New Agreement.

3.15 SERVICES OUTSIDE THE SERVICE AREA. Describe your policies regarding the provision of services outside of the service area in cases where a member (such as child living with a divorced parent or a college student attending an out of state school) lives outside the service area.

3.16 TRANSFER OF SERVICES. If the City selects any new health plan carriers, continuity of services becomes an issue. Please describe, in detail, your policy regarding assumption/plan transfer of members who may be confined in a hospital. Describe in detail your policy regarding plan termination/transfer of confined members and discuss your ability to comply with Section 24 of Part 5, Proposed Contract.

3.17 CUSTOMER SERVICE. Describe your customer service procedures, including speed in answering calls, length of time on hold, responding to member concerns after hours and resolving member claims payment problems.

3.18 GRIEVANCE PROCEDURE. Describe in detail your grievance procedure used in resolving member problems. Discuss specifically how your procedure meets all the requirements of recently implemented State Insurance Department rules. Please note that as part of grievance resolution, the City will accept provisions for arbitration but will not agree to or accept any offer which mandates binding arbitration (see Part 5, Section 14 of this RFP).

3.19 PROVIDER CREDENTIALING AND SELECTION. Describe your procedures and criteria for selecting, credentialing and certification of providers. Please provide your process for evaluating your providers. (i.e. Performance evaluation/measures)

3.20 REPORTING. Describe your ability to provide reporting information in a consistent frequency as required by the City. Please provide the names, titles and telephone numbers of two employers who can support your statements regarding reporting capabilities.

3.21 PERFORMANCE MEASURES. Describe your ability to track timely performance (Appendix 10). The city is interested in a carrier(s) that are willing to track their performance and report on the results. Provide a statement of agreement to comply with this mandatory requirement.

3.22 OTHER INFORMATION. Provide other information you believe to be pertinent to your response.

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PART 4 EVALUATION OF OFFERS

4.1 Selection Process. The Mayor of Albuquerque shall name, for the purpose of evaluating the proposals, an Ad Hoc Advisory Committee. On the basis of the evaluation criteria established in this RFP, the committee shall submit to the Mayor a list of qualified firms in the order in which they are recommended. Proposal documentation requirements set forth in this RFP are designed to provide guidance to the Offeror concerning the type of documentation that will be used by the Ad Hoc Advisory Committee. Offerors should be prepared to respond to requests by the Purchasing Office on behalf of the Ad Hoc Advisory Committee for oral presentations, facility surveys, demonstrations or other areas deemed necessary to assist in the detailed evaluation process. Offerors are advised that the City, at its option, may award this request on the basis of the initial offers.

4.2 Evaluation Criteria. The following general criteria, not listed in order or significance, will be used by the Ad Hoc Advisory Committee in recommending contract award to the Mayor. The proposal factors will be rated on a scale of **0-1000** with weight relationships as stated below.

4.2.1 Evaluation Factors:

300 -- Proposed rate structure offered (lower cost = Higher Score).

200-- Competitive/innovative wellness outreach program.

200 -- Demonstrated ability to provide detailed reports required by the City in the desired frequency..

100 -- Quality/quantity of health care provider panel and procedures for obtaining care.

100 --Major Employer Health Plan with demonstrated ability to provide service and benefits requested by City.

100-- administrative ability/service, customer service, project management and resources offered.

4.2.2 Cost/Price Factors: The evaluation of cost factors in the selection will be determined by a cost/price analysis using your proposed figures. Proposed costs will be evaluated not only to determine if the estimate is reasonable, realistic, and cost effective, but also, the Offeror's ability to organize and perform the services. Please note that the lowest cost is not the sole criterion for recommending contract award.

4.2.3 Cost Evaluation. The cost/price evaluation will be performed by the City Purchasing Division or designee. A preliminary cost review will ensure that each Offeror has complied with all cost instructions and requirements. In addition, proposals will be examined to ensure that all proposed elements are priced and clearly presented. Cost proposals that are incomplete or reflect significant inconsistencies or inaccuracies will be scored accordingly or may be rejected by the Ad Hoc Advisory Committee if lacking in information to determine the value/price/cost relative to the services proposed.

4.2.4 Local Preference. Local and Resident Preference: A preference for local and state businesses is available under the City of Albuquerque Public Purchases Ordinance, for this procurement, Reference the "Local Preference Certification" form and instructions, Part 6 of this RFP. If a completed Local Preference Certification Form, or a current and correct Resident Business Preference Number is not received with the Offeror's response, a preference will not be applied for that offer. The Form or the Number will not be accepted after the deadline for receipt of proposals. For those Offerors qualifying for the preference, a 1.05 multiplier will be applied to the total composite score. Only one preference will apply for this procurement. Local Preference supersedes all other preferences.

4.3 Additional Points for Community Involvement. The City has implemented a program to assist Albuquerque's young adults in finding summer employment with local businesses. The object is to benefit the community by providing meaningful work experiences for young people and assisting businesses to locate summer staffing. This program is called the City's Summer Youth JOBS Initiative. To encourage participation in this program, an additional 50 points will be added to the total composite score of any Offeror who volunteers to do one of the following:

4.3.1 To hire one or more youth(s) (ages 16 - 21) for a minimum of eight (8) weeks for at least forty (40) hours per week of employment placement during the period of May 15 to September 1 of each year during the term of its contract with the City, to pay at least a minimum wage to the youth hired, to provide a meaningful work experience for the youth and an understanding of basic employment rules and requirements, to hire the youth through the New Mexico Department of Labor Dial-A-Teen Office, and to follow all applicable laws and regulations regarding the hiring of young adults; or

4.3.2 To contribute at least Two Thousand Dollars to the City's Summer Youth JOBS Initiative Fund for each one year period during the term of its contract with the City. The funds will be used to provide employment for youth with other employers.

4.3.3 An Offeror must certify in a written statement submitted **with** its proposal its willingness to participate in this program and to meet the selected requirements outlined above in order to be eligible for these additional points.

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**PART 5
DRAFT AGREEMENT**

THIS AGREEMENT is made and entered into this ___ day of _____, 20__ by and between the City of Albuquerque, New Mexico a municipal corporation, (hereinafter referred to as the "City"), and _____, hereinafter referred to as the "Contractor", a _____, whose address is _____.

RECITALS

WHEREAS, the City issued a Request For Proposals for the Human Resource Department, Benefits Division, RFP2006-011-SV, titled "Employee Health Care Insurance", dated 1 February 2006, which is attached hereto as Exhibit A, and by this reference made a part of this Agreement; and

WHEREAS, the Contractor submitted its proposal, dated _____, in response to RFP2006-011-SV, which proposal is attached hereto as Exhibit B, and by this reference made a part of this Agreement; and

WHEREAS, the City desires to engage the Contractor to render certain services in connection therewith, and the Contractor is willing to provide such services.

NOW, THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

1. Scope of Services. The Contractor shall perform the following services (hereinafter the "Services") in a satisfactory and proper manner, as determined by the City:

Provide Employee Health Care Insurance, in accordance with Exhibit A as supplemented by Exhibit B.

2. Time of Performance. Services of the Contractor shall commence on the date of final execution of this Agreement and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Agreement; provided, however, that in any event, all of the Services required hereunder shall be completed within one years of the date of execution of this Agreement. This Agreement may be extended for up to ten additional one-year periods upon written agreement of the parties.

3. Compensation and Method of Payment.

A. Compensation. For performing the Services specified in Section 1 hereof, the City agrees to pay the Contractor Monthly fees based on the tier of coverage rates for participating employees and COBRA subscribers, which amount includes any applicable gross receipts taxes and which amount shall constitute full and complete compensation for the Contractor's Services under this Agreement, including all expenditures made and expenses incurred by the Contractor in performing such Services.

B. Method of Payment. The City will issue a cash advance of one month’s premium for covered employees upon identifying the new plan year enrollment level, followed by monthly payment for actual covered employee tiers. The final payment of the contract period will be adjusted to recover the cash advance.

C. Premium Rates: The premium payments to be paid monthly are as follows for each of the contract types listed herein:

Employee Only	\$ _____
Employee & Spouse	\$ _____
Single Parent	\$ _____
Family	\$ _____

Following the initial cash advance, the City will initiate payment of the monthly aggregate payment for the month of coverage, based on enrollment lists generated by the City on the 20th calendar day of the month, with a goal of completing payment to the Contractor by the last day of the month of coverage. This lists will be financially adjusted to reflect enrollment and termination corrections using the “15-day rule” outlined below. This lists will also be adjusted to reflect adjustments resulting from employer/contractor reconciliation actions.

The “15-day rule” will apply to new enrollments and terminations which occur during the plan year. The 15-day rule affects monthly payments as follows:

a. Enrollment – The City will pay a full monthly prepayment fee for covered members who enroll on or before the 15th calendar day of the month of enrollment but will not pay a monthly prepayment fee for members who enroll on or after the 16th calendar day of the month of enrollment.

b. Termination – The City will not pay a monthly prepayment fee for covered members who terminate coverage on or before the 15th calendar day of the month of termination but will pay a monthly prepayment fee for members who terminate coverage on or after the 16th calendar day of the month of termination.

On each monthly prepayment, the City will include adjustments for prior month new enrollments and terminations, applying the 15-day rule. The City, by identifying a covered member on the payment document as terminated or by failing to list a covered member on the payment document, authorizes the Contractor to immediately discontinue (terminate) services to the member pending resolution of the non-payment problem. In cases where an employee fails to notify the City Insurance Office of termination of employment or other loss of eligibility and the City has continued to issue a prepayment fee on behalf of the employee, the City will be entitled to a premium refund for the overpayment, not to exceed a 60-day refund from the date of preparation and submittal of a termination form to the contractor. If through administrative error, the City continues to pay a prepayment fee for a terminated employee after submittal of termination forms to the contractor, the City will be entitled to a refund of all payments made after submittal of termination forms. The City will make such adjustments on the monthly prepayment report.

D. Reconciliation of Payment Discrepancies. All monthly prepayments shall be subject to reconciliation by the Contractor. The Contractor shall compare information on the payment schedule with Contractor information to identify discrepancies in covered members, prepayment fees, contract types or other discrepancies. Upon identifying discrepancies, the Contractor will first research its

own files to account for enrollments, terminations, changes in contract types (e.g., single, couple, single parent or family) which have recently been received by the Contractor.

After completing an internal accounting of discrepancies, The Contractor will transmit to the City a list of covered members for whom names or status do not match. The list transmitted to the City for a specific month shall be the basis for all further reconciliation of discrepancies and financial adjustment for the month reconciled. No subsequently discovered discrepancies shall be applied retroactively. After submittal to the City of a specific month's discrepancy list, additional names may not be added for adjustment purposes; however, names or amounts correctly transmitted shall remain subject to this reconciliation process until a mutually satisfactory resolution of all identified discrepancies has been reached.

The City will research discrepancies, make a determination as to the financial amounts identified by the Contractor, make the appropriate adjustment on the subsequent monthly payment and provide the Contractor with an explanation and supporting documentation for any disputed amounts. Adjustments for any amounts payable or refundable to either party will be made only for a 60-day period from the first day of the month reconciled.

4. Appropriations. Notwithstanding any other provisions in this Agreement, the terms of this Agreement are contingent upon the City Council of the City of Albuquerque making the appropriations necessary for the performance of this Agreement. If sufficient appropriations and authorizations are not made by the City Council, this Agreement may be terminated at the end of the City's then current fiscal year upon written notice given by the City to the Contractor. Such event shall not constitute an event of default. All payment obligations of the City and all of its interest in this Agreement will cease upon the date of termination. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final.

5 Mid-Year Plan Changes. The plan of benefits shall be guaranteed for an entire fiscal year/renewal period. Any mid-year plan changes initiated by the Contractor without prior agreement by the City shall entitle the City to allow employees affected by the plan change to an immediate mid-year switch enrollment period.

6. Member Protection. In circumstances when it is the member's responsibility to obtain prior approval/written referral for covered services and it is not feasible for the member to obtain such prior approval (e.g., when a contracted primary care physician calls in a specialist to assist during a surgical procedure) the member will not be held responsible for charges beyond the applicable co-payment. In circumstances where by plan design, contracted providers are required to obtain prior authorization and referral, the member will not be held responsible for charges for covered services beyond the applicable co-payment if such providers fail to obtain prior approval.

This provision does not apply to physicians ordering of services based on reliance on incorrect information furnished by the member when it was infeasible for the physician to personally examine the member. It shall not apply to provide benefits or services which are not covered benefits under the plan.

7. Balance Billing. The Contractor shall maintain contracts with its plan providers (physicians, specialties and health care facilities) which require claims filing to be subject to payment of the co-payment by the subscriber and further claims payment to be handled between the

Plan and its Providers. Balance billing to the employee for the difference in contracted discounts and Provider normal cost or for failure by contracted providers to file timely claim forms shall not be permitted and shall be so stated in the Plan/Provider contracts.

8. Independent Contractor. The Contractor is considered as an independent contractor at all times in the performance of the services described in Section 1. The Contractor further agrees that neither it nor its employees are entitled to any benefits from the City under the provisions of the Workers' Compensation Act of the State of New Mexico, or to any of the benefits granted to employees of the City under the provisions of the Merit System Ordinance as now enacted or hereafter amended.

9. Personnel.

A. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing all of the Services required under this Agreement. Such personnel shall not be employees of or have any contractual relationships with the City.

B. All the Services required hereunder will be performed by the Contractor or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such Services.

C. None of the work or Services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or Services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement.

10. Indemnity. The Contractor agrees to defend, indemnify, and hold harmless the City and their officials, agents, and employees from and against any and all claims, actions, suits, or proceedings of any kind brought against said parties for or on account of any matter arising from the Services performed by the Contractor under this Agreement. The indemnity required herein shall not be limited by reason of the specification of any particular insurance coverage in this Agreement.

11. Bonds and Insurance. The Contractor shall not commence any work under this Agreement until the insurance required in Exhibit A, Section 1.25, has been obtained and the proper certificates (or policies) have been submitted to the City.

12. Discrimination Prohibited. In performing the Services required hereunder, the Contractor shall not discriminate against any person on the basis of race, color, religion, gender, sexual preference, sexual orientation, national origin or ancestry, age, physical handicap or disability, as defined in the Americans With Disabilities Act of 1990, as currently enacted or hereafter amended.

13. ADA Compliance. In performing the Services required hereunder, the Contractor agrees to meet all the requirements of the Americans With Disabilities Act of 1990 (the "ADA"), which are imposed directly on the Contractor or which would be imposed on the City as a public entity. The Contractor agrees to be responsible for knowing all applicable rules and requirements of

the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of the Contractor or its agents in violation of the ADA.

14. Reports and Information. At such times and in such forms as the City may require, there shall be furnished to the City such statements, records, reports, data and information, as the City may request pertaining to matters covered by this Agreement. Unless authorized by the City, the Contractor will not release any information concerning the work product including any reports or other documents prepared pursuant to the Agreement until the final product is submitted to the City.

15. Establishment and Maintenance of Records. Records shall be maintained by the Contractor in accordance with applicable law and requirements prescribed by the City with respect to all matters covered by this Agreement. Except as otherwise authorized by the City, such records shall be maintained for a period of three (3) years after receipt of final payment under this Agreement.

16. Audits and Inspections. At any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination all of the Contractor's records with respect to all matters covered by this Agreement. The Contractor shall permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. The Contractor may be required to provide such information and records and appear as a witness in hearings for the City's Board of Ethics and Campaign Practices pursuant to Article XII, Section 8 of the Albuquerque City Charter.

17. Publication, Reproduction and Use of Material. No material produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country. The City shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement.

18. Compliance with Laws. In providing the Scope of Services outlined herein, the Contractor shall comply with all applicable laws, ordinances, and codes of the Federal, State, and local governments.

19. Changes. The City may, from time to time, request changes in the Scope of Services of the Contractor to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the City and the Contractor, shall be incorporated in written amendments to this Agreement.

20. Assignability. The Contractor shall not assign any interest in this Agreement and shall not transfer any interest in this Agreement (whether by assignment or novation), without the prior written consent of the City thereto.

21. Termination for Cause. If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner its obligation under this Agreement or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Agreement, the City shall thereupon have the

right to terminate this Agreement by giving five (5) days written notice to the Contractor of such termination and specifying the effective date of such termination. In such event, all finished or unfinished documents, data, and reports prepared by the Contractor under this Agreement shall, at the option of the City, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement by the Contractor, and the City may withhold any payments to the Contractor for the purposes of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

22. Termination By City without Cause. The City may terminate this Agreement at any time by giving at least fifteen (15) days notice in writing to the Contractor. If the Contractor is terminated by the City as provided herein, the Contractor will be paid an amount which bears the same ratio to the total compensation as the Services actually performed bear to the total Services of the Contractor covered by this Agreement, less payments of compensation previously made. If this Agreement is terminated due to the fault of the Contractor, the preceding section hereof relative to termination shall apply.

23. Construction and Severability. If any part of this Agreement is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of any other part of this Agreement so long as the remainder of the Agreement is reasonably capable of completion.

24. Enforcement. The Contractor agrees to pay to the City all costs and expenses including reasonable attorney's fees incurred by the City in exercising any of its rights or remedies in connection with the enforcement of this Agreement.

25. Ethics and Campaign Practices Board: The Contractor agrees to provide the Board of Ethics and Campaign Practices of the City of Albuquerque or its investigator (the "Board") with any records or information pertaining in any manner to this agreement whenever such records or information are within the Contractor's custody, are germane to an investigation authorized by the Board and are requested by the Board. The Contractor further agrees to appear as a witness before the Board as required by the Board in hearings concerning ethics or campaign practices charges heard by the Board. The Contractor agrees to require that all contractors, subcontractors or sub-consultants employed by Contractor for any of the services performed under the terms of this Agreement shall agree in writing to comply with the provisions of this paragraph. The Contractor and its contractors, sub-consultants or subcontractors shall not be compensated for its time or any costs it incurs in complying with the requirements of this paragraph.

26. Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

27. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New Mexico, and the laws, rules and regulations of the City of Albuquerque.

28. **Approval Required.** This Agreement shall not become effective or binding until approved by the City's Chief Administrative Officer.

IN WITNESS WHEREOF, the City and the Contractor have executed this Agreement as of the date first above written.

CITY OF ALBUQUERQUE

CONTRACTOR:

Approved By:

By: _____

Bruce J. Perlman, Ph.D.
Chief Administrative Officer

Title: _____

Date: _____

Date: _____

Fed Tax ID No: _____

State Tax ID No: _____

Patricia D Miller, Director
Human Resources Department

Date: _____

EXHIBIT A
CITY OF ALBUQUERQUE REQUEST FOR PROPOSALS

EXHIBIT B
OFFEROR'S PROPOSAL

PART 6 - INSTRUCTIONS FOR LOCAL PREFERENCE CERTIFICATION FORM

1. ALL INFORMATION MUST BE PROVIDED. A 5% local preference is available for this procurement. To qualify for this preference, an Offeror **MUST** complete and submit this Form **WITH ITS OFFER**. If an offer is received without the Form attached, completed, signed and certified, or if the Form is received without the required information, the preference will not be applied. **THE FORM OR A CORRECTED FORM WILL NOT BE ACCEPTED AFTER THE DEADLINE FOR RECEIPT OF BIDS OR PROPOSALS.**

2. LOCAL PREFERENCE PRECEDENCE OVER STATE PREFERENCE. The local preference takes precedence over the State Resident Business Preference and only one of the two preferences will be applied to any one offer. If it is determined that the local preference applies to one or more Offerors in any solicitation, the State Resident Business Preference will not be applied to any offers.

3. PHYSICAL LOCATION MUST BE STATED. To qualify for the local preference, a business must have a location in the Albuquerque Metropolitan Area (Abq. Metro Area). The business location inserted on the form must be a physical location, street address or such. **DO NOT** use a post office box or other postal address.

4. ADDITIONAL REQUIREMENT. To qualify for this preference, the principal Offeror (i.e. the business, **NOT** the individual signing the form) if it is a corporation, must be a New Mexico corporation with its articles of incorporation filed with the New Mexico Public Regulation Commission.

5. DEFINITIONS. The following definitions apply to this preference:

- The Abq. Metro Area includes all locations within the City of Albuquerque and Bernalillo County, and within any municipality (i.e. incorporated city, town or village) contiguous to the City of Albuquerque and Bernalillo County.
- A resident of the Abq. Metro Area is a person who occupies a dwelling in the Area and who manifests an intent to maintain that dwelling on a permanent basis.
- A principal Offeror is a single Offeror; a business which is the prime contractor or one of the prime contractors and not a subcontractor; or a partner or joint venturer submitting an offer in conjunction with other businesses.

6. ADDITIONAL DOCUMENTATION. If requested, a business will be required to provide, within 10 working days of the request, documentation to substantiate the information provided on the form.

9/24/02

LOCAL PREFERENCE CERTIFICATION FORM

Solicitation Number: RFP06-011-SV

Business Name: _____

Business Location (in Abq. Metro Area): _____

Business Type: **SELECT ONE**

- Corporation -- Indicate state of incorporation.  _____
- Partnership -- Indicate "general" or "limited".  _____
- Sole Proprietorship (Single Owner with employees)
- Individual (Single Owner/No employees)
- Other - Indicate status.  _____

Additional Information: (PROVIDE IF BUSINESS IS A CORPORATION)

Date of incorporation in the State of New Mexico:  _____

CERTIFICATION

I hereby certify that the business set out above is the principal Offeror submitting this offer or is one of the principal Offerors jointly submitting this offer (e.g. as a partnership, joint venture). I hereby certify that the information which I have provided on this form is true and correct, that I am authorized to sign on behalf of the business set out above and, if requested by the City, will provide, within 10 days of notice, the necessary documents to substantiate the information provided on this form.

Signature of Authorized Individual: _____

Printed Name: _____

Title: _____ **Date:** _____

YOU MUST RETURN THIS FORM WITH YOUR OFFER

APPENDICES

Additional Information and Model Forms

Appendix 1	City Administrative Provisions	A1-1 thru A1-1
Appendix 2	Membership Health Care Participation Census – by Plan	A2-1 thru A2-2
Appendix 3	Employee Health Care Participation History – by Plan	A3-1 thru A3-1
Appendix 4	Health Care Utilization History – by Plan	A4-1 thru A4-1
Appendix 5	Health Rate History	A5-1 thru A5-1
Appendix 6	Reporting Requirements	A6-1 thru A6-1
Appendix 7	City Enrollment Form	A7-1 thru A7-1
Appendix 8	Benefits Summary	A8-1 thru A8-1
Appendix 9	City Employee Benefits Booklet	A9-1 thru A9-28
Appendix 10	Performance Standards	A10-1 thru A10-1
Appendix 11	Large Claims	A11-1 thru A11-2

APPENDIX 1

CITY ADMINISTRATIVE PROVISIONS

ELIGIBILITY TO PARTICIPATE

Employees in permanent status, working at least 20 hours per week, are eligible for health insurance. Eligible dependents includes (a) an employee's spouse not legally separated from the employee and (b) the unmarried natural or adopted children of the employee or employee's spouse, who are under 25 years of age. Eligible dependents include domestic partners of employees and children of domestic partners who meet the requirements of City Administrative Instruction 7-29.

Eligible dependents may be covered up to age 25 and eligible dependents can otherwise be covered after attaining 25 years of age if the dependent is incapable of self-sustaining employment because of a physical or mental handicap which was originally documented and established while a dependent of the employee or employee's spouse.

Employees or eligible dependents may enroll without a medical examination within 31 days of the date on which employment begins, within 31 days of other dependent eligibility or during the annual open enrollment period.

WHEN COVERAGE BEGINS

Coverage begins on the first day of the pay period immediately following submittal of enrollment documents when enrollment forms are submitted within the 31 day eligibility period but after the first day at work. Coverage begins on the first day at work for newly hired employees who elect coverage on or before the first day of work. Dependents are eligible to be included on the same date the employee becomes insured, within 31 days of the date the employee acquires an eligible dependent or during the annual open enrollment period. Newborns are covered on the date of birth if the employee submits enrollment paperwork to the City Insurance Office within 31 days from birth. Newly enrolled student dependents are covered on the first day of the pay period following submittal of enrollment forms subject to the 31-day eligibility period from the first day of class.

REINSTATEMENT RESULTING FROM GRIEVANCE PROCESS

Employees who are terminated from employment and reinstated as part of a decision resulting from a grievance action may be reinstated retroactive to termination date for the same benefits and dependents enrolled at time of termination. Such employees will have the choice of retroactive reinstatement or reenrollment.

4. CONTINUATION OF HEALTH INSURANCE

The Comprehensive Omnibus Budget Reconciliation Act (COBRA) requires continuation of health insurance for certain employees and their dependents that are insured under a City group health insurance plan at termination or ineligibility for further coverage. Each City carrier is expected to offer COBRA coverage (administered by the City or its contractor) as well as other continuation, which may be a normal offering of the carrier.

5. LOSS OF NON-CITY SPONSORED HEALTH CARE COVERAGE

If a permanent City employee and/or eligible dependent(s) is covered under a non-City sponsored health care plan and such coverage is terminated through no fault of the insured, the employee and/or eligible dependent(s) may enroll under a City health care plan within 31 days of termination of coverage, with no lapse in coverage, subject to submittal of proof of prior coverage and proof of coverage termination.

OPEN ENROLLMENTS

The City will conduct a 2-3 week annual open enrollment period approximately 45 days prior to the beginning of each plan year. Eligible employees may enroll or transfer plans during this period without regard to pre-existing conditions or medical examination.

APPENDIX 2

MEMBERSHIP HEALTH CARE PARTICIPATION CENSUS – BY PLAN

ALL ENTITIES

CITY OF ALBUQUERQUE,

Group Demographics

Enrollment as of: Sep 2005

Last Refresh 11/8/2005

THIS IS FOR PRESBYTERIAN ONLY ** INFORMATION NOT AVAILABLE FOR LOVELACE

Summary of Contract Mix

	Contracts	Members	Contract Mix
Single	1,301	1,302	31.15 %
Employee and Spouse	644	1,291	15.42 %
Employee + Child(ren)	655	1,756	15.68 %
Family	1,576	6,441	37.74 %
Total:	4,176	10,790	100.00 %

Membership by Age/Sex Categories

	M	F	Totals
Dependent Child	1,873	1,843	3,716
Under 25	533	446	979
25 - 29	346	328	674
30 - 34	500	464	964
35 - 39	569	533	1,102
40 - 44	543	548	1,091
45 - 49	423	410	833
50 - 54	345	343	688
55 - 59	276	218	494
60 - 64	96	89	185
65 - 69	27	15	42
70 - 74	10	7	17
75 - 79	2	1	3
80 +	2		2
	5,545	5,245	10,790
	51.39 %	48.61 %	
% Over 50			13.26 %
% 65+			0.59 %
Average Age			38
Average Contract Size			2.58

APPENDIX 2

MEMBERSHIP HEALTH CARE PARTICIPATION CENSUS – BY PLAN

EXHIBIT 2

CITY OF ALBUQUERQUE ONLY

1/9/2006

NOT INCLUDING ENTITIES

CITY OF ALBUQUERQUE LOVELACE EMPLOYEE MEDICAL PLAN PARTICIPATION

Participation by Age Sex Categories	FEMALE	MALE	TOTALS
Under 25	28	74	102
25-29	88	177	265
30-34	122	265	387
35-39	125	312	437
40-49	306	629	935
50-54	121	200	321
55-59	76	167	243
60-64	36	53	89
65-69	6	4	10
70-74	2	2	4
	910	1,883	2,793
	32.58%	67.42%	100.00%
% OVER 50			23.88%
% 65+			0.50%
Average Age			42

PRESBYTERIAN EMPLOYEE MEDICAL PLAN PARTICIPATION

Participation by Age Sex Categories	FEMALE	MALE	TOTAL
Under 25	38	108	146
25-29	80	246	326
30-34	124	343	467
35-39	162	400	562
40-49	311	609	920
50-54	125	219	344
55-59	92	160	252
60-64	33	53	86
65-69	4	8	12
70-74	2	1	3
75 and over		1	1
	971	2,148	3,119
	31.13%	68.87%	100.00%
% OVER 50			22.38%
% 65+			0.48%
Average Age			41

APPENDIX 3
EMPLOYEE HEALTH CARE PARTICIPATION HISTORY – BY PLAN

1/13/2006

TOTAL MEMBERSHIP BY ENTITIES FY06, SEP 2005

ENTITY	PRES	LOVELACE	TOTAL
CITY OF ALBUQUERUQUE	8,334	7,564	15,898
BERNALILLO COUNTY	1,752	1,304	3,056
SANDOVAL COUNTY	293	376	669
TOWN OF BERNALILLO	81	41	122
MIDDLE RIO GRANDE CONSERVANCY DISTRICT	188	147	335
VILLAGE OF LOS RANCHOS	19	10	29
VILLAGE OF TIJERAS	4	9	13
VILLAGE OF CUBA	17	12	29
VILLAGE OF CORRALES	41	46	87
VILLAGE OF BOSQUE FARMS	36	20	56
COBRA	22	20	42
TOTAL	10,787	9,549	20,336

3

1/13/2006

PLAN PARTICIPATION BY TIER FOR ALL ENTITIES, SEP 2005

Plan	FY	Single	Couple	Single Parent	Family	TOTAL
PRESBYTERIAN	FY2006	1309	647	655	1572	4183
	FY2005	1070	532	578	1384	3564
LOVELACE	FY2006	1217	649	552	1343	3761
	FY2005	1202	634	554	1340	3730

APPENDIX 4
HEALTH CARE UTILIZATION HISTORY – BY PLAN

CITY OF ALBUQUERQUE
HUMANRESOURCES DEPARTMENT

<u>PLAN</u>	<u>PERIOD</u>	<u>PREMIUMS</u>	<u>CLAIMS</u>
PRESBYTERIAN	07/01/02 – 06/30/03	\$15,668,219	\$14,592,604
	07/01/03 – 06/30/04	\$17,797,840	\$13,950,965
	07/01/04 – 06/30/05	\$22,281,557	\$16,864,531
	07/01/05 – 11/30/05	\$11,430,847	\$ 7,538,631
LOVELACE	07/01/02 - 06/30/03	\$13,105,829	\$12,220,231
	07/01/03 – 06/30/04	\$15,097,640	\$10,512,825
	07/01/04 – 06/30/05	\$22,554,122	\$15,818,339
	07/01/05 - 11/30/05	\$ 9,777,778	\$ 7,187,155
CIMARRON	07/01/02 – 06/30/03	\$4,057,319	\$4,380,876

APPENDIX 5

HEALTH CARE RATE HISTORY - FY 1999 THRU FY 2006

CITY OF ALBUQUERQUE HUMAN RESOURCES DEPARTMENT

<u>PLAN/YEAR</u>	<u>SINGLE</u>	<u>COUPLE</u>	<u>SINGLE PARENT</u>	<u>FAMILY</u>
<u>FY 1999 (effective 7-1-98)</u>				
FHP of NM	\$ 114.38	\$257.37	\$ 217.33	\$337.42
Presbyterian	130.02	264.64	209.00	381.79
Lovelace	130.87	259.26	236.49	386.34
Qual Med HMO	112.57	227.35	202.64	338.29
Qual Med Select	139.69	282.24	251.56	419.95
<u>FY 2000 (effective 7-1-99)</u>				
Presbyterian	139.12	283.17	223.63	408.51
Lovelace	142.39	282.07	256.77	420.34
Qual Med HMO	122.14	246.66	219.86	367.05
Qual Med Select	151.56	306.23	272.93	455.64
Cimarron	112.92	225.83	216.01	338.75
<u>FY 2001 (effective 7-1-00)</u>				
Presbyterian	154.73	314.94	248.72	454.34
Lovelace	163.75	324.38	295.29	483.39
Qual Med HMO	134.85	276.01	213.72	402.19
Cimarron	134.85	276.01	213.72	402.19
<u>FY 2002 (effective 7-1-01)</u>				
Presbyterian	171.01	348.28	275.29	502.04
Lovelace	179.88	356.33	324.38	531.00
Cimarron	150.22	307.48	238.08	448.04
<u>FY 2003 (effective 7-1-02)</u>				
Presbyterian	191.53	390.07	308.32	562.28
Lovelace	198.77	393.74	358.44	586.76
Cimarron	165.99	339.77	263.08	495.08
<u>FY 2004 (effective 7-1-03)</u>				
Presbyterian	223.30	454.52	359.00	655.63
Lovelace	217.65	431.15	392.49	642.50
Cimarron	219.49	434.96	395.87	647.98
<u>FY 2005 (effective 7-1-04)</u>				
Presbyterian	252.98	514.94	406.74	742.78
Lovelace	240.84	477.09	434.31	710.96
<u>FY 2006 (effective 7-1-05)</u>				
Presbyterian	277.46	564.75	446.07	814.65
Lovelace	263.36	521.71	474.93	777.46

APPENDIX 6

REPORTING REQUIREMENTS

1. Monthly Reports

It will be necessary to submit monthly reports showing premium and claims information. From the billing, we would need numbers of singles, couples, s/parent and family units, total premium paid and claims paid for that month. This report should show each governmental entity separately and then the total.

In addition, it will be necessary to provide large claim information in the same format. That is each governmental entity separately and then the total.

2. Utilization Reports

Summary financial information reflecting allocation of premium dollars between administrative costs and direct health care costs. A per member per month cost factor is to be established for total plan costs. The report shall be provided in the following categories: (1) total; and (2); participating governmental entities. Frequency shall be semi-annually reflecting cumulative plan year costs.

3. HEALTH SERVICES REPORTS

The City requires reports on the top 20 ICD-9 codes with the greatest cost to the City, sorted in the order of dollar value, for the following eleven categories:

OUTPATIENT SERVICES:	1. Employee primary care
	2. Dependent primary care
	3. Employee emergency room
	4. Dependent emergency room
	5. Employee specialty care
	6. Dependent specialty care
	7. Employee urgent care
	8. Dependent urgent care
INPATIENT SERVICES	9. Employee inpatient care
	10. Dependent inpatient care
CATASTROPHICS	11. Top 20 catastrophic cases

Frequency of these reports shall be semi-annually. Each of the 11 reports shall reflect the following information for each line of data:

1. ICD-9 code
2. ICD-9 code alpha description
3. Cumulative City/County dollar value of all procedures for the ICD-9 code
4. Number of City/County encounters for the ICD-9 code
5. Aggregate contractor dollar value of all procedures for the ICD-9 code
6. Aggregate contractor number of all encounters for the ICD-9 code

APPENDIX 7 CITY OF ALBUQUERQUE HEALTH ENROLLMENT FORM

HEALTH INSURANCE FORM

Effective Date: _____

Social Security No.	Employee Name: First, Middle Initial, Last:	Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Hire: Date of Birth:
Mailing Address:		Telephone Numbers	
City, State, Zip:		Home:	Work:
Email Address:		Department:	
		Union Code:	

EMPLOYER

<input type="checkbox"/> City of Albuquerque	<input type="checkbox"/> Sandoval County	<input type="checkbox"/> Cuba
<input type="checkbox"/> Town of Bernalillo	<input type="checkbox"/> Village of Tijeras	<input type="checkbox"/> COG
<input type="checkbox"/> Bernalillo County	<input type="checkbox"/> Village of Los Ranchos	<input type="checkbox"/> AMAFCA
<input type="checkbox"/> Middle Rio Grande Conservancy District	<input type="checkbox"/> Village of Corrales	<input type="checkbox"/> Other _____

ACTION

REASON FOR ACTION

<input type="checkbox"/> Decline Coverage	<input type="checkbox"/> Cancel Plan	<input type="checkbox"/> New Hire
<input type="checkbox"/> Enroll	<input type="checkbox"/> COBRA	<input type="checkbox"/> Termination
	<input type="checkbox"/> Add Dependent	<input type="checkbox"/> Divorce
	<input type="checkbox"/> Cancel Dependent	<input type="checkbox"/> Birth
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Retirement
		<input type="checkbox"/> Loss of Coverage
		<input type="checkbox"/> Age
		<input type="checkbox"/> Marriage
		<input type="checkbox"/> Change of Address
		<input type="checkbox"/> Other _____

ENROLLMENT INFORMATION & TYPE OF COVERAGE

PRESBYTERIAN HEALTH PLAN				LOVELACE HEALTH PLAN			
	Enroll	Cancel			Enroll	Cancel	
Active	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Employee only		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Employee Only
			<input type="checkbox"/> Employee & Child(ren)				<input type="checkbox"/> Employee & Child(ren)
Family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Employee & Spouse				<input type="checkbox"/> Employee & Spouse
			<input type="checkbox"/> Employee, Sp. & Child(ren)				<input type="checkbox"/> Employee, Sp. & Child(ren)
Independent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Employee & DPTR				<input type="checkbox"/> Employee & DPTR
			<input type="checkbox"/> Employee, DPTR & Child(ren)				<input type="checkbox"/> Employee, DPTR & Child(ren)

DEPENDENT INFORMATION	Proof of Marriage, Birth, or Court Order attached?	DATE OF BIRTH	GENDER	PRIMARY CARE Dr.
Name: First, Middle Initial, Last	<input type="checkbox"/> Yes <input type="checkbox"/> No	MM/DD/YY	M/F	
Spouse:	<input type="checkbox"/> Yes <input type="checkbox"/> No			
Domestic Partner:	<input type="checkbox"/> Yes <input type="checkbox"/> No			
Children:	<input type="checkbox"/> Yes <input type="checkbox"/> No			
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
	<input type="checkbox"/> Yes <input type="checkbox"/> No			

CERTIFICATION

I hereby submit the information on this form as application/change to health care coverage under a plan contracted by the City of Albuquerque. I have received and read descriptive literature of the health plan as it affects this application/change. I understand, accept and agree to abide by the terms and provisions of the city agreement in receiving services. I understand that membership may be automatically terminated if I have intentionally given any false information regarding myself and/or my dependents on this application. I authorize the health plan to disclose medical information concerning me or my dependents to authorized agencies when required under appropriate Federal/State legislation or regulation, and to obtain medical information from other appropriate agencies for the purpose of providing necessary health care/administrative services under the plan. I understand that the employer may change my premiums and/or benefits as part of the annual contract renewal process. I authorize my employer to deduct from my earnings the amount required to pay my share of health care prepayment fees.

Employee Signature X

Date

Employer Signature: _____ Date: _____ Entered by: _____	Office Use Only Checked by: _____
---	--

Medical Benefits At-A-Glance

The following is only a summary, some benefits may have further limitations or exclusions.

APPENDIX 8

For a more complete description please refer to each plan's member certificate, schedule of benefits or group subscriber agreement.

	Lovelace HMO	Presbyterian My Care ²
		Active
Annual deductible	None	None
Annual out-of-pocket costs	\$1,500 individual, \$3,000 family	Twice your annual premium
Lifetime maximum	Unlimited	Unlimited
Physician Services		
Office visit	\$15 co-pay per visit	\$20 co-pay per visit
Specialist visit	\$25 co-pay per visit	\$30 co-pay per visit
Allergy testing	\$25 co-pay per visit	You pay 20%
Injections	\$15 co-pay per visit	Included in office visit co-pay
Infertility services	\$25 co-pay per visit, \$15 co-pay if PCP ¹	You pay 50%
Gynecological exam	\$25 co-pay per visit, \$15 co-pay if PCP	\$20 co-pay
Pre and post natal care	\$25 co-pay per initial visit, no charge for all other routine visits	\$20 co-pay per visit up to \$200 per pregnancy
Diagnostic X-ray		
MRI	\$75 co-pay ¹	\$125 co-pay per test
CAT Scans	\$75 co-pay ¹	\$75 co-pay per test
Cardiac Cath	\$150 co-pay ¹	\$200 co-pay per test
X-Ray and Laboratory	No charge	No charge
Urgent care	\$25 co-pay urgent, \$15 co-pay non-appointment care	Participating provider: \$25 co-pay Non-participating provider: \$50 co-pay
Emergency room	\$75 co-pay, waived if admitted	\$75 co-pay, waived if admitted
Ambulance	\$50 co-pay (ground), \$100 co-pay (air)	\$50 co-pay (ground), \$100 co-pay (air)
Hospital		
Inpatient	\$250 co-pay per admission ¹	\$150 co-pay per day up to \$450 per admission ¹
Outpatient	\$150 co-pay ¹	\$150 co-pay per visit ¹
Speech, physical, occupational therapy	\$20 co-pay per visit (60 visits per calendar year combined includes acupuncture) ¹	\$30 co-pay per visit ¹ (2 months per condition)
Acupuncture	See speech therapy	\$30 co-pay per visit (20 visits per calendar year, medical necessity)
Durable medical equipment	You pay 50% of charges ¹	You pay 50% ¹
Chiropractor	\$20 co-pay per visit (60 visits per calendar year combined includes acupuncture) ¹	\$30 co-pay per visit (18 visits per calendar year, medical necessity)
Home Health Care	No charge ¹ (100 visits max per calendar year)	No charge ¹
Hospice	\$250 co-pay per admission ¹	\$150 co-pay per day up to \$450 per admission ¹
Skilled nursing care	No charge (60 days per calendar year)	\$150 co-pay per day up to \$450 per admission (60 days per calendar year) ¹
Dialysis	\$150 co-pay per admission ¹	You pay 20% per visit
Mental Health		
Inpatient	\$250 co-pay per admission	\$150 co-pay per day up to \$450 per admission ¹
Outpatient	\$25 co-pay per visit	\$30 co-pay per visit ¹
Substance Abuse		
Inpatient	\$50 co-pay per day ¹ (30-day max per calendar year)	Detox: \$150 co-pay per day up to \$450 per admission ^{1,2*} Rehab: 25% co-pay per admission ^{1,2*}
Outpatient	\$25 copay per visit (20 visits max per calendar year)	\$30 co-pay per visit ¹ (20 visits per calendar year)
Prescription Drugs		
Retail	Generic \$10, brand \$35, non-preferred or brand name with generic equivalent 50%	Generic \$10, brand \$35, non-preferred \$55 (30 days or 100 units, whichever less) When generic available but chooses brand, \$10 plus difference in cost
Mail Order	Generic \$20, brand \$70, non-preferred or brand name with generic equivalent 50%	Generic \$20, brand \$87.50, non-preferred \$165 (90 days or 300 units, whichever less) When generic available but chooses brand, \$20 plus difference in cost

¹Prior authorization/benefit certification applies.

²Pending Department of Insurance approval.

³Benefits are limited to reasonable and customary charges. You are responsible for any balance due above reasonable and customary charges.

	Presbyterian My Care ²	
	Network	Independent
Family		
None	None	Out-of-Network
Twice your annual premium	Twice your annual premium	\$500 individual, \$1,500 family
Unlimited	Unlimited	\$6,000 individual, \$18,000 family
		\$2 million
\$25 co-pay (adult), \$10 co-pay (child)	\$25 co-pay per visit	You pay 40%
\$35 co-pay (adult), \$20 co-pay (child)	\$35 co-pay per visit	You pay 40%
You pay 20%	You pay 20%	You pay 40%
Included in office visit co-pay	Included in office visit co-pay	You pay 40%
You pay 50%	You pay 50%	Not covered
\$25 co-pay (adult), \$10 co-pay (child)	\$25 co-pay	You pay 40%
\$25 co-pay per visit up to \$250 per pregnancy	\$25 co-pay per visit up to \$250 per pregnancy	You pay 40%
\$200 co-pay per test (adult) \$100 co-pay per test (child)	\$125 co-pay per test	You pay 40% ^{1,4}
\$125 co-pay per test (adult) \$75 co-pay per test (child)	\$75 co-pay per test	You pay 40% ^{1,4}
\$300 co-pay per test (adult) \$175 co-pay per test (child)	\$200 co-pay per test	You pay 40% ^{1,4}
No charge	No charge	You pay 40% ^{1,4}
Participating provider: \$35 co-pay (adult), \$20 co-pay (child), Non-participating provider: \$45 (adult), \$30 co-pay (child)	\$35 co-pay	\$45 co-pay no deductible
\$75 co-pay, waived if admitted	\$75 co-pay, waived if admitted	\$75 co-pay no deductible
\$50 co-pay (ground), \$100 co-pay (air)	\$50 co-pay (ground), \$100 co-pay (air)	\$50 co-pay (ground), \$100 co-pay (air)
\$150 co-pay per day up to \$450 per admission (adult) \$100 co-pay per day up to \$300 per admission (child) \$200 co-pay per visit (adult), \$100 co-pay per visit (child) \$35 co-pay per visit (adult), \$20 co-pay per visit (child) (2 months per condition)	\$150 co-pay per day up to \$450 per admission ¹	You pay 40% ^{1,4}
\$35 co-pay (adult), \$20 co-pay (child); (20 visits per calendar year, medical necessity)	\$35 co-pay per visit (20 visits per calendar year, medical necessity)	You pay 40% ^{1,4} (2 months per condition) Speech therapy not covered out-of-network
You pay 50% ¹	You pay 50% ¹	You pay 40% ^{1,4}
\$35 co-pay (adult), \$20 co-pay (child) (18 visits per calendar year, medical necessity)	\$35 co-pay per visit (18 visits per calendar year, medical necessity)	You pay 40%
No charge ¹	No charge ¹	You pay 40% ^{1,4}
\$150 co-pay per day up to \$450 per admission (adult) \$100 co-pay per day up to \$300 per admission (child)	\$150 co-pay per day up to \$450 per admission ¹	You pay 40% ^{1,4}
\$150 co-pay per day up to \$450 per admission (adult) \$100 co-pay per day up to \$300 per admission (child) (60 days per calendar year) ¹	\$150 co-pay per day up to \$450 per admission (60 days per calendar year) ¹	You pay 40% ^{1,4}
You pay 20% per visit	You pay 20% per visit	You pay 40%
\$150 co-pay per day up to \$450 per admission (adult) \$100 co-pay per day up to \$300 per admission (child) \$35 co-pay (adult), \$20 co-pay (child) per visit ¹	\$150 co-pay per day up to \$450 per admission ¹	You pay 40% ^{1,4}
Detox: \$150 co-pay per day up to \$450 per admission (adult); \$100 co-pay per day up to \$300 per admission (child); Rehab: 25% co-pay per admission ^{1,2*}	Detox: \$150 co-pay per day up to \$450 per admission ^{1,2*} ; Rehab: 25% co-pay per admission ^{1,2*}	You pay 40% ^{1,4}
\$35 co-pay per visit (adult) \$20 co-pay per visit (child)	\$35 co-pay per visit ¹ (20 visits per calendar year)	You pay 40% ^{1,4}
Generic \$10, brand \$30, non-preferred \$50 (30 days or 100 units, whichever less) When generic available but chooses brand \$10 plus difference in cost	Generic \$10, brand \$30, non-preferred \$50 (30 days or 100 units, whichever less) When generic available but chooses brand \$10 plus difference in cost	Not covered unless an emergency outside service area (deductible doesn't apply)
Generic \$20, brand \$75, non-preferred \$150 (90 days or 300 units, whichever less) When generic available but chooses brand \$20 plus difference in cost	Generic \$20, brand \$75, non-preferred \$150 (90 days or 300 units, whichever less) When generic available but chooses brand \$20 plus difference in cost	Not covered

¹A 15% penalty applies if benefit certification is not obtained.

²20 visits and 1 episode per calendar year, 3 episodes per lifetime.

CITY OF
ALBUQUERQUE



Employer-Sponsored
**Group
Benefits**

CONTRACT YEAR
July 1, 2005 - June 30, 2006



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This brochure is intended for summary purposes only. In all cases only the official plan documents control the administration and operation of the plans. Please be aware that some of the benefits listed in the various tables have limitations. See your Summary Plan Description (SPD) for more details. This brochure does not constitute a contract of employment nor does it change your employment-at-will status.

Your employer retains the right to modify benefits or premiums during annual contract negotiations to obtain benefits for employees.



CITY OF ALBUQUERQUE



MARTIN J. CHAVEZ, MAYOR

Dear Fellow Employees:

The City of Albuquerque is pleased to offer our employees and their families one of the best insurance and benefits packages in New Mexico. The Human Resources Department's Insurance and Benefits staff has worked closely with the Health Insurance Task Force to design a package of quality benefits, and with our suppliers to keep premiums down, despite significant increases in medical costs.

For this plan year, the City will continue to offer employees either the Presbyterian Health Plan or the Lovelace Health Plan. There will be very few changes in the Lovelace Health Plan. However, under the Presbyterian plan, employees will be able to select one of three different options. Each option is designed, by benefit structure and "unique services" offerings, to **specifically accommodate a certain lifestyle**. The rates for each option are the same, allowing you to choose the plan that best accommodates your current lifestyle situation and needs.

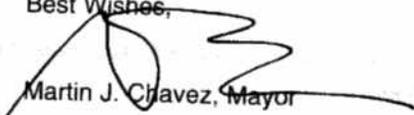
The City will be offering two dental plans this year. Cigna Dental quoted premium increases the City couldn't accept. Employees previously enrolled in that plan are strongly encouraged to consider the Delta Dental plan that, with United Concordia, are offering enhanced benefits in FY/06.

Davis Vision, which was introduced last year as an elective benefit, will now be a sponsored program, with the City paying 83% of the premium, equal to the amount paid by the City for medical and dental premiums.

One of the most underused City benefits is Flexible Spending Accounts (Sec. 125 plans). To encourage your participation in this pre-tax program, the City will now pay the administrative fee associated with participation. In addition, the City has increased the maximum deferral amount for both dependent care and medical expenses to \$5,000. Finally, parking and transit expenses have been added as a cost that can be paid with pre-tax dollars through the plan. I strongly urge you to consider participating in this benefit.

It is critical that you participate in the positive enrollment process this year. Failure to do so will result in a loss of insurance coverage. If you have any questions about your benefits, the positive enrollment process, or any of the plans, please contact the Human Resources Department, Insurance and Benefits Division at 768-3758.

Best Wishes,


Martin J. Chavez, Mayor

INTRODUCTION

Your employer provides insurance benefits to its employees and their eligible dependents, *which includes domestic partners of employees and children of domestic partners who meet the requirements of a domestic partnership*. This booklet summarizes benefits that are available to you and also provides information on participation criteria.

Once your coverage begins, you will not be permitted to cancel coverage until the next open enrollment unless you experience a status change.

Your employer currently offers two health care insurance plans and three dental plans. In addition, your employer may offer a supplemental life insurance plan, your employer-paid Basic Life Insurance Plan, one or more deferred compensation plans, a flexible spending program, disability insurance, and other benefit programs.

A. ELIGIBILITY TO PARTICIPATE

1. **The Employee** - in a permanent or permanent probationary employment status, working at least 20 hours per week, is eligible to participate in insurance benefits offered by your employer, *although the qualifying hours may vary depending on your entity. Please check with your benefits manager*. An employee legally married to any employee eligible under your employer sponsored plan may not carry duplicate coverage. For specific information regarding each plan's benefits contact your employer's Insurance Office.
2. **Dependents** - of employees participating in health care insurance are eligible to enroll for coverage if they satisfy the following provisions:
 - a. s/he **MUST** be the lawful spouse of the employee; or
 - b. s/he **MUST** be an unmarried dependent child of either the employee or the employee's spouse up to the age of twenty-five (25) years. An unmarried dependent child includes natural children, step children, children for whom the employee/spouse has permanent court-appointed custody, children for whom a Child Support Court Order exists instructing the employee to add the child to existing coverage, and adoptive children who are placed in the employee's home by an agency awaiting legal adoption. This does not include foster children. Other relatives are not eligible for coverage unless the employee/spouse has permanent legal court-appointed custody; or
 - c. coverage may be continued after limiting ages specified above for a child who is a dependent of the employee or the employee's spouse and who is physically or mentally incapacitated and is not eligible for coverage under any other plan or program if the condition occurred prior to age 25, subject to normal enrollment guidelines and approval by the health plans.

B. ENROLLMENT

A permanent/probationary employee may enroll without regard to pre-existing medical conditions: (excluding disability coverage):

1. within 31 days of the date on which permanent employment begins;
2. during scheduled annual open enrollment periods;
3. under the loss of coverage provision; or
4. under the HIPAA provision.

In addition, newly eligible dependents may be enrolled only within 31 days of the qualifying event.

Children placed in an employee's home pending legal adoption may be added within 31 days from date of placement; or, a dependent for whom the employee is assigned permanent legal guardianship may be added within 31 days from the date of the signed order. Newborns **must** be enrolled within 31 days of birth or any medical expenses related to that birth, will be charged to the employee. If adding a newborn on the dental plan has the effect of increasing premium, the newborn should be added at open enrollment, or within 30 days of the child's 3rd birthday.

Under the Health Insurance Portability and Accountability Act (HIPAA) an employee may enroll within 31 days of the date the employee marries or acquires a child through birth or adoption.

C. WHEN COVERAGE BEGINS

1. For newly eligible employees, coverage begins on the first day of the pay period after submission of enrollment forms to your employer's Insurance Office; or on the first day of work for newly hired employees who elect coverage on or before the first day of work.
2. When enrolling during open enrollment, coverage begins July 1st.
3. Newborns are covered on the date of birth only if the employee submits enrollment paperwork to your employer's Insurance Office within the 31 day eligibility period. Premium will be charged from date of birth.
4. Coverage for other eligible dependents begins on the first day of the pay period following submission of enrollment paperwork to your employer's Insurance Office only if enrollment occurs within the 31 day eligibility period.

D. ELIGIBILITY CHANGES

The employee is responsible for reporting and submitting to your employer's Insurance Office ANY dependent eligibility changes. **EMPLOYEES WILL BE RESPONSIBLE FOR ANY COSTS INCURRED BY DEPENDENTS AFTER BECOMING INELIGIBLE.**

E. HOME ADDRESS CHANGES

The employee is responsible for submitting home address change information to your employer's Human Resources Department on the appropriate update form. Any notifications regarding benefit changes or other employment related matters, will be deemed to have been delivered, when delivered to the address extracted from your employer's computer system. This address is to be updated by the employee upon change.

F. LOSS OF NON-EMPLOYER SPONSORED HEALTH CARE COVERAGE

If a permanent employee, and/or eligible dependents, is covered under a spouse's non-employer sponsored health care plan and such coverage is terminated through no fault of the insured, the employee and eligible dependents may enroll under your employer's health care plan within 31 days of termination of coverage subject to submittal of proof of prior coverage and proof of coverage termination.

G. VERIFICATION PROCEDURES

All dependent information recorded by the insured on your employer's enrollment form is subject to verification.

1. Employees are required to provide a registered marriage certificate when enrolling a spouse and a birth certificate or other acceptable proof of legal child dependent status when enrolling dependent children.
2. During the course of each fiscal year, your employer will conduct verification to assure dependent eligibility.
3. Your employer will terminate from all insurance coverage, any dependent that the employee fails to submit requested evidence of eligibility or dependent status. Your employer may terminate all insurance coverage of employees who have falsified enrollment documents to fraudulently obtain insurance coverage. Such employees may be subject to legal or disciplinary action as may be determined by your employer.

H. PAYMENT OF PREMIUMS

1. Premium payments for active employees are deducted each pay period from employee payroll checks. Federal, State and FICA taxes are deducted after the health and dental payments have been deducted, reducing your taxable income. **THESE PREMIUMS CANNOT BE USED AT YEAR END FOR TAX PURPOSES.**
2. Employees on approved inactive status, for whom payroll deductions for insurance are not made, are responsible for making premium payments to your employer's Insurance Office. Such inactive status includes Worker's Compensation/disability or any Leave Without Pay (LWOP) status. Failure to make premium payments will result in cancellation of insurance.

I. CO-PAYMENTS

Co-payments listed for health/dental services are due at the time of service. Failure to make the required co-payment may result in service charges by the plan or termination of coverage.

J. REINSTATEMENT RESULTING FROM THE GRIEVANCE PROCESS

Employees who are reinstated as part of a grievance action must contact your employer's Insurance Office within 31 days of reinstatement to arrange for reinstatement of benefits coverage if the employee was participating in those benefits at time of termination. A copy of the reinstatement document must be provided.

K. COBRA CONTINUATION

The Comprehensive Omnibus Budget Reconciliation Act (COBRA) of 1985 provides for the continuation of health care coverage for a covered employee and covered dependents due to a qualifying event that causes loss of coverage. A qualifying event is defined as termination of employment (other than for gross misconduct) or reduction in hours of employment; covered employee's death; a divorce or legal separation of a spouse from a covered employee; a covered employee's entitlement to Medicare; the child no longer satisfies the plan's definition of a dependent child.

COBRA continuation coverage may be available for 18 months in the event of termination or 36 months in the event of death, divorce/legal separation, entitlement to Medicare, or loss in dependent status.

All continuation of health benefits under COBRA legislation, are subject to premium payments of 100%, plus a 2% administrative fee. Coverage will terminate earlier than permitted by legislation if the participant becomes ineligible due to other coverage or if the participant fails to make premium payments. The covered employee or dependent is required to notify your employer's Insurance and Benefits Office of a divorce, legal separation, and/or child losing dependent status within 60 days after the date of the event. If notification is not received within this time period, COBRA continuation coverage is not available.

L. ANNUAL HEALTH CARE RENEWAL

Your employer retains the right to modify the plan of benefits or premium structure during annual contract negotiations to obtain benefits for employees.

Extension of Benefits to Domestic Partners of Employees

A domestic partner is defined as a person of the same or opposite sex who live together in a long-term relationship of indefinite duration. There must be an exclusive mutual commitment similar to that of marriage, in which the partners agree to be financially responsible for each other's welfare and share financial obligations. These benefits are also available to the domestic partner's children provided that the child is primarily dependent upon the employee or domestic partner for support and a child/parent relationship exists.

To be recognized as domestic partners, both individuals must meet all of the following criteria, sign an Affidavit of Domestic Partnership and submit any necessary documentation.

Criteria:

1. Both partners must be unmarried.
2. Both partners reside in the same residence for at least 12 months and intend to do so indefinitely.
3. Must meet the age requirements for the State of New Mexico.
4. Must not be related by blood to the degree prohibited in a legal marriage in the State of New Mexico.
5. Must be financially responsible for each other's welfare and share financial obligations.

The Affidavit of Domestic Partnership and the submission of three of the following items will establish the financially responsible requirement.

- a. a joint lease/mortgage - ownership
- b. joint ownership of motor vehicle, joint bank account, or joint credit account (only one of these options will qualify)
- c. domestic partner named as beneficiary of life insurance
- d. domestic partner named as beneficiary of retirement benefits
- e. domestic partner named as primary beneficiary in the employee's will
- f. domestic partner assigned as power of attorney or legal designee
- g. both partners share household expenses - this means both names are on the bill
- h. domestic partner and employee have joint investment accounts

Coverage will begin on the first day of the pay period following the submission of the enrollment documentation (insurance forms, signed affidavit, three items establishing joint financial responsibility).

To terminate domestic partner benefits, an Affidavit of Termination must be completed. This will remove your domestic partner and domestic partner's children from the City's insurance coverages. Your domestic partner and his/her dependent children will be entitled to continuation of coverage under COBRA.

Under the Internal Revenue Code the value of employer-paid domestic partner benefits is taxable to the employee. This means the employee's cost for coverage will be deducted on an after-tax basis and the amount the Company contributes will, be subject to FICA and federal & state income tax.

Questions and Answers

When will coverage begin? During open enrollment, coverage begins on July 1st. For newly eligible employees with a domestic partner relationship, coverage begins on the first day of the pay period after submission of enrollment form and all required documentation.

Can I enroll my domestic partner's children? Yes, providing: 1) the employee and domestic partner meet the criteria, 2) the child is primarily dependent upon the employee or domestic partner for support and 3) a child/parent relationship exists based upon one of the following:

- a. the employee/domestic partner is the biological parent of the child
- b. either or both partners are adoptive parents of the child
- c. the child has been placed in the partner's household as part of an adoptive placement, legal guardianship or by court order (excludes foster children)

How can I determine whether or not I will be subject to taxes on the domestic partners benefits? The key is to review your IRS 1040 Form to determine if you were able to claim your domestic partner and domestic partner's children on your personal federal tax return. If you were not able to declare the domestic partner or the children as dependents, **the benefits will be taxable.**

If I have recently entered into a relationship with a domestic partner, can I enroll now? No. You first must live together in the same residence for at least 12 months and intend to do so indefinitely.

What documentation is required? You will need to provide three (3) items showing mutual financial responsibility. Both you and the domestic partner will be required to complete an Affidavit of Domestic Partnership, and complete the necessary insurance forms. For dependents, please provide a copy of the birth certificate or copy of divorce decree stating you are responsible for the child's health coverage.

To enroll your domestic partner contact 505-768-3758 for an appointment.

Medical Plans

Plan Benefits

Each of the medical plan options provides comprehensive medical coverage for enrolled members. On the next pages you will find a general description of each of the plans, followed by a Benefits-At-A-Glance chart comparing key benefits of both plans. Finally, you will see a list of exclusions for items that neither of the plans cover.

In order to choose the plan that is right for you and your family, review the benefit levels for each plan, as well as the medical providers available to you.

Keep in mind this information is a summary only, and you should refer to each plan's official Summary Plan Description for full details, including all limitations and exclusions.

Your Choices

You have the option to choose between two medical plans:

- Lovelace Health Plan HMO
- Presbyterian Health My Care Plan

Cost of Coverage

No matter which plan you choose, your employer will pay a portion of the premium. The chart below shows your portion of the cost, which is taken on a per pay period basis. As you can see, your cost depends on the plan you choose as well as what family members you enroll.

Bi-Weekly Contributions		
	Lovelace Health Plan HMO	Presbyterian Health My Care Plan
Employee only	\$20.66	\$21.77
Employee and spouse	\$40.93	\$44.31
Employee and children	\$37.26	\$35.00
Employee and family	\$61.00	\$63.92

Learn More

You can find more information at <http://eweb.cabq.gov/>

Lovelace Health Plan HMO

You and your eligible dependents may consider enrolling in the Lovelace Health Plan HMO.



How the Lovelace Health Plan HMO Works

The Lovelace Health Plan is a health maintenance organization (HMO), which consists of a network of participating physicians, hospitals, outpatient surgical centers, diagnostic facilities, pharmacies, and other health care providers.

To receive HMO benefits, you must access health care through your network providers. Otherwise, the plan pays no benefits, except in an out-of-area emergency situation. You may choose to receive your care from a primary care physician or a specialist without a referral.

Generally, when you access health care services through your primary care provider, the plan pays 100 percent of most covered expenses subject to applicable co-payments. Co-payments (the amount you pay for services such as doctor's office visits) are usually \$15, but are \$25 for specialty services. Under the HMO, you and your eligible dependents generally pay no deductible. Refer to the Medical Benefits At-A-Glance Chart for a sample of covered services.

The Lovelace Health Plan Network

Lovelace Sandia Health System is comprised of four acute care hospitals, a rehabilitation hospital, the Lovelace Health Plan, S.E.D. Medical Laboratories, two physician groups, and fifteen neighborhood health care centers in Albuquerque, Rio Rancho and Santa Fe.

Several programs and preventive services are offered including:

- **Stop Tobacco for Optimal Prevention.** Those that wish to stop smoking or stop using tobacco products will have access to classes, information and prescriptions as needed.
- **Life Long Steps.** This program helps members who are living with asthma, diabetes and heart disease.
- **Body Balance.** This program provides cost savings for services such as chiropractic care, acupuncture, massage therapy, on-line health and beauty products and more. Visit www.lovelacehealthplan.com for information on how to access this program.
- **24-hour Nurse Advice Line.** This dedicated number provides members with access to health professionals who can answer health concerns 24 hours a day, 7 days a week. Call 262-3000 in Albuquerque or 800-366-3401 statewide.
- **Website.** By visiting www.lovelacehealthplan.com members can view eligibility, claims information and participating providers.

A special service to members...

Body Balance

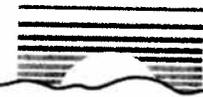
This program provides cost savings for services such as chiropractic care, acupuncture, massage therapy, on-line health and beauty products and more.

Visit www.lovelacehealthplan.com for information on how to access this program.

Major Programs and Medical Specialties Provided Through Lovelace Providers

- Allergy
- Anesthesiology
- Audiology
- Behavioral Health (Psychiatry/Chemical Dependency)
- Cardiac Rehabilitation
- Cardiology and Cardiovascular Surgery
- Case Management
- Cosmetic and Reconstructive Surgery
- Dermatology
- Dialysis Services
- Disease Management
- Emergency Medicine
- Endocrinology
- ENT (Ear, Nose, Throat)
- Eye Services (Ophthalmology, Optical, Optometry)
- Family Practice
- Gastroenterology
- General Surgery
- Gynecology
- Hand Clinic
- Hematology
- Home Health Care
- Hospice Care
- Infectious Disease
- Internal Medicine
- Laboratory Services
- Nephrology
- Neurology
- Neurosurgery
- Obstetrics
- Oncology
- Orthopedics
- Pain Management
- Podiatry
- Primary Care
- Pulmonary
- Radiology
- Rehabilitation Services
- Renal Services
- Rheumatology
- Sleep Medicine
- Travel Health Services
- Uro-gynecology
- Urology
- Vascular
- Women's Health

FROM EASY ACCESS TO SIMPLER PLANS

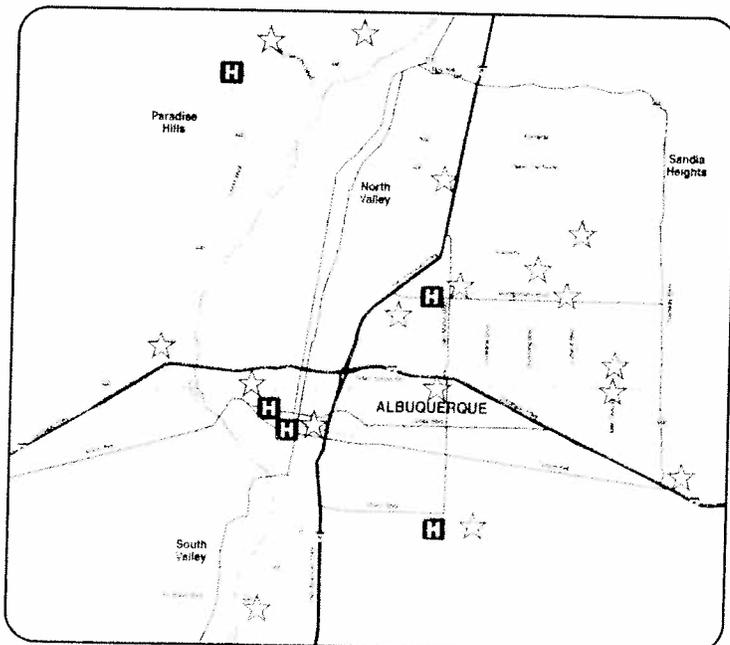


**LOVELACE
HEALTH PLAN**

You've got the right health plan.

More Hospitals

- ▶ Albuquerque Regional Medical Center
- ▶ Lovelace Medical Center
- ▶ Rehabilitation Hospital of New Mexico
- ▶ West Mesa Medical Center
- ▶ Women's Hospital
- ▶ UNM Hospitals



Convenient Neighborhood Healthcare Centers

- ▶ 500 Walter NE, Suite 301
- ▶ 1806 Lomas Blvd. SE
- ▶ 200 Rio Bravo Blvd. SE
- ▶ 3901 Carlisle Blvd. NE
- ▶ 5150 Journal Center Blvd. NE*
- ▶ 9101 Montgomery Blvd. NE*
- ▶ 8080 Academy Blvd. NE
- ▶ 1901 Juan Tabo NE
- ▶ 2120 Juan Tabo Blvd. NE
- ▶ 13701 Encantado Rd. NE
- ▶ 3801 Southern Blvd. SE*
- ▶ 2929 Coors Blvd. NW
- ▶ 1721 Rio Rancho Blvd. NW
- ▶ 5041 Indian School Rd. NE
- ▶ 5400 Gibson Blvd. SE*
- ▶ 4701 Montgomery Blvd. (pediatric care urgent care)*

* Urgent care centers



Presbyterian Health Plan

You and your dependents may consider enrolling in the Presbyterian My Care Plan.

**PRESBYTERIAN**

Health Plan

How the My Care Plan Works

The My Care Plan has many features of a traditional HMO including receiving care from a participating Health Maintenance Organization (HMO) provider. However, unlike an HMO, it also contains a Point-of-Service (POS) option when you select the Independent option. The Independent (POS) option will pay benefits if you choose to use a non-participating provider (one who is not in the Presbyterian Health plan network).

With Presbyterian Health Plan's new My Care plan, employees can choose among three different My Care benefit options in order to find a plan that best fits their unique needs. Employees can choose among the Active, Family and Independent options.

Once you select an option, you and your qualifying dependents will remain in that option until the next open enrollment. Each option is priced the same and your per pay period contribution is the same for all of the options. The benefit levels are different for each option (see the Benefits-At-A-Glance chart on pages 11 and 12 to compare benefits).

The Active Option

The Active option offers a \$150 reimbursement per family per contract year for certain services (see next page).

The Active option is a good fit for individuals who have an active lifestyle, who may feel they do not seek medical services very often and are mainly concerned with preventive care and the type of services offered through the unique services reimbursement program. Those who choose the Active option typically do not have any children and are not planning on having children in the near future.

The Family Option

The Family option is great for those employees with a family-oriented lifestyle. These individuals typically will have children, under 18 years of age, in the home or are expecting to start a family. Instead of offering reimbursement, the Family option offers significantly reduced co-payments for services that children use most. Well-child care and preventive physical exams are only \$5 for children in this plan. Office visits to your child's primary care physician are only \$10 and visits to a Presbyterian network urgent care provider are \$20.

The Independent Option

The Independent option provides enhanced out-of-area coverage for you and your eligible dependents as well as coverage for visits to practitioners outside of Presbyterian's network. This option offers a \$250 reimbursement per family per contract year for certain services (see next page).



You Choose from Three Benefit Options

Three options for coverage have been designed to *accommodate* different lifestyles.

You can choose the one that meets your needs.

Two options offer special reimbursements.

Member Services:

505-923-5678

The Active and Independent Options include special reimbursements for allowable expenses, as summarized below. See your group subscriber agreement for more details.

Unique Services Reimbursement Program	
Active Option Reimbursements	Independent Option Reimbursements
<p>\$150 reimbursement per family per contract year for:</p> <ul style="list-style-type: none"> • gym memberships* • weight loss programs* • routine vision care* • smoking cessation • vitamins* • birth control pills • sterilization services • LASIK surgery • dental treatments* • ambulance co-payments • X-ray co-payments 	<p>\$250 reimbursement per family per contract year for:</p> <ul style="list-style-type: none"> • prescription drug costs with a prescription from a physician • routine vision care • disease management classes* • alternative therapies* • dental treatments* • diagnostic devices* • qualified long term care services and premiums • hearing aids
<p>*If recommended by a physician to treat a specific medical condition. A note or prescription from the provider and the Unique Services Reimbursement Form must be submitted.</p>	

All City employees aren't the same, so why should their coverage be?

City of Albuquerque employees have the power of choice with Presbyterian's new plan, My Care. City employees are all very different and have different needs when it comes to their health care. With My Care, City employees can choose between three different options (active, family and independent) in order to find the health plan that best fits their lifestyle. See your enrollment materials for more details and talk to your Presbyterian representative at open enrollment.



 **PRESBYTERIAN**

Health Plan

www.phs.org

Medical Benefits At-A-Glance

The following is only a summary, some benefits may have further limitations or exclusions.

	Lovelace HMO		Presbyterian My Care ²
			Active
Annual deductible	None		None
Annual out-of-pocket costs	\$1,500 individual, \$3,000 family		Twice your annual premium
Lifetime maximum	Unlimited		Unlimited
Physician Services			
	Office visit	\$15 co-pay per visit	\$20 co-pay per visit
	Specialist visit	\$25 co-pay per visit	\$30 co-pay per visit
	Allergy testing	\$25 co-pay per visit	You pay 20%
	Injections	\$15 co-pay per visit	Included in office visit co-pay
	Infertility services	\$25 co-pay per visit, \$15 co-pay if PCP ¹	You pay 50%
	Gynecological exam	\$25 co-pay per visit, \$15 co-pay if PCP	\$20 co-pay
	Pre and post natal care	\$25 co-pay per initial visit, no charge for all other routine visits	\$20 co-pay per visit up to \$200 per pregnancy
Diagnostic X-ray			
	MRI	\$75 co-pay ¹	\$125 co-pay per test
	CAT Scans	\$75 co-pay ¹	\$75 co-pay per test
	Cardiac Cath	\$150 co-pay ¹	\$200 co-pay per test
	X-Ray and Laboratory	No charge	No charge
Urgent care		\$25 co-pay urgent, \$15 co-pay non-appointment care	Participating provider: \$25 co-pay Non-participating provider: \$50 co-pay
Emergency room		\$75 co-pay, waived if admitted	\$75 co-pay, waived if admitted
Ambulance		\$50 co-pay (ground), \$100 co-pay (air)	\$50 co-pay (ground), \$100 co-pay (air)
Hospital			
	Inpatient	\$250 co-pay per admission ¹	\$150 co-pay per day up to \$450 per admission ¹
	Outpatient	\$150 co-pay ¹	\$150 co-pay per visit ¹
Speech, physical, occupational therapy	Outpatient	\$20 co-pay per visit (60 visits per calendar year combined includes acupuncture) ¹	\$30 co-pay per visit ¹ (2 months per condition)
Acupuncture		See speech therapy	\$30 co-pay per visit (20 visits per calendar year, medical necessity)
Durable medical equipment		You pay 50% of charges ¹	You pay 50% ¹
Chiropractor		\$20 co-pay per visit (60 visits per calendar year combined includes acupuncture) ¹	\$30 co-pay per visit (18 visits per calendar year, medical necessity)
Home Health Care		No charge ¹ (100 visits max per calendar year)	No charge ¹
Hospice		\$250 co-pay per admission ¹	\$150 co-pay per day up to \$450 per admission ¹
Skilled nursing care		No charge (60 days per calendar year)	\$150 co-pay per day up to \$450 per admission (60 days per calendar year) ¹
Dialysis		\$150 co-pay per admission ¹	You pay 20% per visit
Mental Health			
	Inpatient	\$250 co-pay per admission	\$150 co-pay per day up to \$450 per admission ¹
	Outpatient	\$25 co-pay per visit	\$30 co-pay per visit ¹
Substance Abuse			
	Inpatient	\$50 co-pay per day ¹ (30-day max per calendar year)	Detox: \$150 co-pay per day up to \$450 per admission ^{1,3*} Rehab: 25% co-pay per admission ^{1,3*}
	Outpatient	\$25 copay per visit (20 visits max per calendar year)	\$30 co-pay per visit ¹ (20 visits per calendar year)
Prescription Drugs			
	Retail	Generic \$10, brand \$35, non-preferred or brand name with generic equivalent 50%	Generic \$10, brand \$35, non-preferred \$55 (30 days or 100 units, whichever less) When generic available but chooses brand, \$10 plus difference in cost
	Mail Order	Generic \$20, brand \$70, non-preferred or brand name with generic equivalent 50%	Generic \$20, brand \$87.50, non-preferred \$165 (90 days or 300 units, whichever less) When generic available but chooses brand, \$20 plus difference in cost

¹ Prior authorization/benefit certification applies.

² Pending Department of Insurance approval.

³ Benefits are limited to reasonable and customary charges. You are responsible for any balance due above reasonable and customary charges.

For a more complete description please refer to each plan's member certificate, schedule of benefits or group subscriber agreement.

Presbyterian My Care²

Family	Independent	
	Network	Out-of-Network
None	None	
Twice your annual premium	Twice your annual premium	\$500 individual, \$1,500 family
Unlimited	Unlimited	\$6,000 individual, \$18,000 family \$2 million
\$25 co-pay (adult), \$10 co-pay (child)	\$25 co-pay per visit	You pay 40%
\$35 co-pay (adult), \$20 co-pay (child)	\$35 co-pay per visit	You pay 40%
You pay 20%	You pay 20%	You pay 40%
Included in office visit co-pay	Included in office visit co-pay	You pay 40%
You pay 50%	You pay 50%	Not covered
\$25 co-pay (adult), \$10 co-pay (child)	\$25 co-pay	You pay 40%
\$25 co-pay per visit up to \$250 per pregnancy	\$25 co-pay per visit up to \$250 per pregnancy	You pay 40%
\$200 co-pay per test (adult) \$100 co-pay per test (child)	\$125 co-pay per test	You pay 40% ^{1,4}
\$125 co-pay per test (adult) \$75 co-pay per test (child)	\$75 co-pay per test	You pay 40% ^{1,4}
\$300 co-pay per test (adult) \$175 co-pay per test (child)	\$200 co-pay per test	You pay 40% ^{1,4}
No charge	No charge	You pay 40% ^{1,4}
Participating provider: \$35 co-pay (adult), \$20 co-pay (child). Non-participating provider: \$45 (adult), \$30 co-pay (child)	\$35 co-pay	\$45 co-pay no deductible
\$75 co-pay, waived if admitted	\$75 co-pay, waived if admitted	\$75 co-pay no deductible
\$50 co-pay (ground), \$100 co-pay (air)	\$50 co-pay (ground), \$100 co-pay (air)	\$50 co-pay (ground), \$100 co-pay (air)
\$150 co-pay per day up to \$450 per admission (adult) \$100 co-pay per day up to \$300 per admission (child) ¹	\$150 co-pay per day up to \$450 per admission ¹	You pay 40% ^{1,4}
\$200 co-pay per visit (adult), \$100 co-pay per visit (child) ¹	\$125 co-pay per visit ¹	You pay 40% ^{1,4}
\$35 co-pay per visit (adult), \$20 co-pay per visit (child) (2 months per condition)	\$35 co-pay per visit (2 months per condition)	You pay 40% ^{1,4} (2 months per condition) Speech therapy not covered out-of-network
\$35 co-pay (adult), \$20 co-pay (child); (20 visits per calendar year, medical necessity)	\$35 co-pay per visit (20 visits per calendar year, medical necessity)	You pay 40%
You pay 50% ¹	You pay 50% ¹	You pay 50% ^{1,4}
\$35 co-pay (adult), \$20 co-pay (child) (18 visits per calendar year, medical necessity)	\$35 co-pay per visit (18 visits per calendar year, medical necessity)	You pay 40%
No charge ¹	No charge ¹	You pay 40% ^{1,4}
\$150 co-pay per day up to \$450 per admission (adult) ¹	\$150 co-pay per day up to \$450 per admission ¹	You pay 40% ^{1,4}
\$100 co-pay per day up to \$300 per admission (child) ¹	\$100 co-pay per day up to \$300 per admission (child) ¹	You pay 40% ^{1,4}
\$150 co-pay per day up to \$450 per admission (adult)	\$150 co-pay per day up to \$450 per admission (adult)	You pay 40% ^{1,4}
\$100 co-pay per day up to \$300 per admission (child)	\$100 co-pay per day up to \$300 per admission (child)	You pay 40% ^{1,4}
(60 days per calendar year) ¹	(60 days per calendar year) ¹	
You pay 20% per visit	You pay 20% per visit	You pay 40%
\$150 co-pay per day up to \$450 per admission (adult) ¹	\$150 co-pay per day up to \$450 per admission ¹	You pay 40% ^{1,4}
\$100 co-pay per day up to \$300 per admission (child) ¹	\$100 co-pay per day up to \$300 per admission (child) ¹	You pay 40% ^{1,4}
\$35 co-pay (adult), \$20 co-pay (child) per visit ¹	\$35 co-pay per visit ¹	You pay 40% ^{1,4}
Detox: \$150 co-pay per day up to \$450 per admission (adult) ¹ ; \$100 co-pay per day up to \$300 per admission (child) ¹ ; Rehab: 25% co-pay per admission ^{1,*}	Detox: \$150 co-pay per day up to \$450 per admission ¹ ; Rehab: 25% co-pay per admission ^{1,*}	You pay 40% ^{1,4}
\$35 co-pay per visit (adult) ¹	\$35 co-pay per visit ¹	You pay 40% ^{1,4}
\$20 co-pay per visit (child) ¹	(20 visits per calendar year)	
Generic \$10, brand \$30, non-preferred \$50 (30 days or 100 units, whichever less)	Generic \$10, brand \$30, non-preferred \$50 (30 days or 100 units, whichever less)	Not covered unless an emergency outside service area (deductible doesn't apply)
When generic available but chooses brand \$10 plus difference in cost	When generic available but chooses brand \$10 plus difference in cost	
Generic \$20, brand \$75, non-preferred \$150 (90 days or 300 units, whichever less)	Generic \$20, brand \$75, non-preferred \$150 (90 days or 300 units, whichever less)	Not covered
When generic available but chooses brand \$20 plus difference in cost	When generic available but chooses brand \$20 plus difference in cost	

¹ A 15% penalty applies if benefit certification is not obtained.

² 20 visits and 1 episode per calendar year, 3 episodes per lifetime.

Exclusions to Coverage for the Medical Plans

The following exclusions and limitations apply to both the Lovelace Health Plan HMO and Presbyterian Health My Care medical plans. Items with an "*" may be eligible for reimbursements under the Presbyterian Health Unique Services Reimbursement program (see page 10 for a summary).

- Any service not medically necessary or accepted medical practice
- Autopsies
- Benefits and services not specified as covered
- Biofeedback
- Cancer clinical trials are limited to phase 2, 3, and 4 and must be provided for in the State of New Mexico in accordance with provisions as set forth in the Group Subscriber Agreement (GSA)
- Care for conditions which State or local law requires be treated in a public facility
- Care for military service connected disabilities
- Charges that are determined to be unreasonable by the carrier
- Cosmetic surgery, treatments, devices or medications
- Court mandated treatment not in compliance with the terms of the Group Subscriber Agreement
- Custodial or domiciliary care
- Dental care and dental x-rays, orthodontics, endodontics, dental implants, dental prosthetics except as specified in the Group Subscriber Agreement*
- Discharge medications provided by a hospital pharmacy unless a participating outpatient pharmacy is not available; drugs, medicines, treatments, procedures, or devices that are experimental or investigational*
- Disposable medical supplies
- Elective home birth and prenatal or postpartum services connected with an elective home birth
- Exercise equipment, personal trainers, club membership and weight reduction programs except as provided in the Unique Services Reimbursement Program
- Eye refractions, radial keratotomy and other laser refractive procedures, and visual training*
- Hearing aids, corrective eye glasses or sunglasses, frames, lens prescriptions, contact lenses or the fitting thereof*
- Hospital and anesthesia charges for non-covered dental services*
- Hypnotherapy except as part of anesthesia preparation or chronic pain management*
- In vitro, GIFT and ZIFT fertilization
- Marriage, family and sex counseling
- Massage therapy and Rolwing
- Non-prescription drugs, dietary supplements and other articles not for the specific treatment of illness or injury; treatments and medications for the purpose of weight reduction or control*
- Organ transplants except as specified in the Group Subscriber Agreement
- Orthodontic appliances and orthodontic treatment, crowns, bridges and dentures used for TMJ unless the disorder is trauma related*
- Personal or comfort items
- Photopheresis for all conditions other than mycosis fungoides
- Residential treatment centers
- Reversals of voluntary infertility
- Routine foot care, orthopedic or corrective shoes, arch supports, shoe appliances, foot orthotics, and custom fitted braces or splints except for patients with diabetes
- Routine physicals and immunizations for employment, insurance, travel or conducted for the purpose of medical research
- Services for which a member is eligible under any governmental program (except Medicaid), or services for which, in the absence of any health service plan or insurance plan, no charge would be made the member or dependent
- Services of a lay midwife or an unlicensed midwife
- Sex transformation surgery
- Special education, counseling, therapy or care for learning deficiencies or behavioral problems
- Telephone visits or consultation
- The medical and hospital services of a donor when the recipient of an organ transplant is not a member or when the transplant procedure is not covered
- Travel and lodging expenses except as provided in the Group Subscriber Agreement
- Treatment for codependency
- Treatment for hair loss
- Treatment for long-term chronic alcoholism and drug addiction
- Treatment for malocclusion*
- Treatment for sexual dysfunction, including medication, counseling, and clinics, except for penile prosthesis
- Treatment for work related illness or injuries when workers' compensation coverage is required
- Vocational rehabilitation services and long-term rehabilitation services

The following is also not covered by the Lovelace HMO Health Plan:

- Repair or replacement of durable medical equipment, orthotic appliances and prosthetic devices due to normal wear, loss or damage

The following are also not covered by the Presbyterian My Care Health Plan:

- Get acquainted visits without physical assessment or diagnostic or therapeutic intervention provided
- Elective abortions after the 24th week of pregnancy
- Out-of-network services for organ transplants, infertility services, cardiac and pulmonary rehabilitation, covered medications, prescription drugs, specialty pharmaceuticals and special medical foods

The above is only a summary, some benefits may have further limitations or exclusions. For a more complete description please refer to each plan's member certificate, schedule of benefits or group subscriber agreement.

Dental Plans

Plan Benefits

Each of the dental plan options provides comprehensive dental coverage for enrolled members. On the next pages you will find a general description of each of the options, followed by a Benefits-At-A-Glance chart comparing key benefits of the plans.

In choosing a dental plan it is important to consider the types of services covered and the dental providers available to you. Benefits are based on four main classifications of services:

- **Diagnostic and Preventive** usually includes: cleanings, exams, X-rays, sealants and fluoride treatments
- **Basic** usually includes: fillings, root canals, periodontics, extractions, oral surgery and general anesthesia
- **Major** usually includes: crowns, bridges and dentures
- **Orthodontics** usually includes: diagnostic and retention treatment

Keep in mind this information is a summary only, and you should refer to each plan's official Summary Plan Description for full details, including all limitations and exclusions.

Learn More

You can find more information at <http://eweb.cabq.gov/>

Your Choices

You may choose to enroll yourself and your eligible dependents in one of three dental options:

- Delta Dental Plan of New Mexico
- United Concordia Flex (High Option)
- United Concordia Preferred (Low Option)

Cost of Coverage

No matter which plan you choose, your employer will pay a portion of the premium. The chart below shows your portion of the cost, which is taken on a per pay period basis. As you can see, your cost depends on the plan you choose as well as what family members you enroll.

Bi-Weekly Contributions			
	Delta Dental Plan	United Concordia High Plan	United Concordia Low Plan
Employee only	\$1.91	\$1.81	\$1.13
Employee and spouse	\$3.82	\$3.86	\$2.26
Employee and children	\$3.97	\$3.99	\$2.14
Employee and family	\$5.35	\$5.38	\$3.56

Delta Dental

You and your dependents may consider enrolling in the Delta Dental Plan.



How the Delta Dental Plan Works

The Delta Dental plan combines a Point of Service (DeltaPreferred Option) plan with the fee-for-service network (DeltaPremier) plan. This means you can choose to receive your care from a Delta Dental dentist in either network. The amount the plan will pay is based on the contracted rates with the providers.

You also have the option to select a dentist that does not participate in either network. Your costs may be higher with this option since Delta Dental does not have a contracted agreement with the provider.

When selecting a dentist, you can access any participating provider without a referral. Most specialty dentists participate in the DeltaPremier network. The DeltaPreferred Option network does not include specialty dentists in all categories. Specialty categories include: oral surgery, endodontics, orthodontics, pedodontics, periodontics and prosthodontics. Please refer to your participating dentist list prior to receiving services from a specialty dentist.



United Concordia

You and your dependents may consider enrolling in one of the two United Concordia options: Concordia Flex (High Option) and Concordia Preferred (Low Option).

UNITED CONCORDIA
America's Premier Dental Insurer

The United Concordia Advantage Plus network includes all dental specialties: endodontists, periodontists, pedodontists, oral surgeons and orthodontists.

How the United Concordia Plans Work

The Concordia Flex (High Option) pays the same benefit level no matter if you use a Concordia network or an out-of-network provider. However, if you use an out-of-network provider you may receive a balance bill over the amount of the plan's allowable charge. When you use network providers they will file your claim for you, so there are no forms for you to complete. Orthodontic coverage is also available under this option.

The Concordia Preferred (Low Option) dental program also allows you to use Concordia network or out-of-network dentists. However, the Concordia Preferred (Low Option) dental program has limited out-of-network coverage. There is no office visit co-payment and you do not have to select a Primary Care dentist. There is no orthodontic or general anesthesia coverage under the Low Option.



We care about your dental health! That is why United Concordia is proud to offer:

- *A nationwide network of 63,000 dentists*
- *Responsive customer service*
- *Impressive online capabilities*

Learn more at www.ucci.com.

UNITED CONCORDIA
America's Premier Dental Insurer

Dental Benefits At-A-Glance

This is a highlight of the benefits only. Refer to your member certificate or group subscriber agreement for specific details, including limitations and exclusions.

	Delta Dental ¹	
	Preferred	Premier
Annual Benefit Maximum (per plan year)	\$1,500 per person	
Deductible	\$50 per person, \$150 family (lifetime max)	
Lifetime Orthodontic Benefit Maximum	\$1,200 per person	
Diagnostic/Preventive		
Routine cleanings/exams (2 per year)	Plan pays 100% no deductible applies ²	Plan pays 80%, no deductible applies ²
Bitewing x-rays (2 per year)		
Fluoride treatment		
Sealants		
Emergency treatment for the relief of pain		
Full mouth x-rays (1 complete set every 5 years)		
Basic		
Fillings	Plan pays 85% after deductible*	Plan pays 85% after deductible*
Stainless steel crowns		
Root canal therapy		
Non-surgical and surgical periodontics		
Complex oral surgery		
General anesthesia (in conjunction with oral surgery)		
Prescription medications for dental related conditions		
Major		
Crowns (only when teeth cannot be restored with a filling)	Plan pays 50% after deductible	Plan pays 50% after deductible
Removable partial or complete dentures		
Fixed bridge		
Orthodontic		
Diagnostic, active and retention treatment for adults and children	Plan pays 50%	Plan pays 50%

*Amalgam fillings on posterior teeth. Composite resin fillings for anterior teeth only.

¹The plan pays the lesser of the Delta Preferred option schedule of fees or the dentist's billed amount for Delta Preferred Option dentists. Applied to the lesser of the Delta Maximum approved amount or the DeltaPremier dentist's billed amount for DeltaPremier dentists.

²Fluoride: through age 18. Sealants: through age 16, 3-year limitation.

United Concordia³

United Concordia³		
Concordia Flex (High)	Concordia Preferred (Low)	
\$1,500 per person	\$1,000 per person	
\$50 individual, \$150 family (lifetime max)	\$25 per person per plan year, \$75 family	
\$1,200 per person	Not covered	
Diagnostic/Preventive	Network	Out-of-Network
Plan pays 100% of allowable amount, no deductible applies ⁴	Plan pays 80% of allowable amount, no deductible applies ⁴	Plan pays 25% of allowable amount after deductible ⁴
Basic		
Plan pays 85% of allowable amount after deductible*	Plan pays 80% of allowable amount after deductible*	Not covered
	Plan pays 25% of allowable amount after deductible (oral surgery)	
	Not covered (general anesthesia and prescription medications)	
Major		
Plan pays 50% of allowable amount after deductible	Plan pays 25% after deductible	Not covered
Orthodontic		
Plan pays 50% up to lifetime maximum	Not covered	Not covered

*Amalgam fillings on posterior teeth. Composite resin fillings for anterior teeth only.

³United Concordia will not replace missing teeth prior to your effective date of coverage under this plan.

⁴Fluoride: 2 per year up to age 19. Sealants: permanent molars only.

Vision Plan

Plan Benefits

The Vision Plan offers coverage for general vision benefits, such as exams, eyeglasses, and contact lenses. Read more about the plan benefits on the next page.

Keep in mind this information is a summary only, and you should refer to the plan's official Summary Plan Description for full details, including all limitations and exclusions.

Your Choice

You may choose to enroll yourself and your eligible dependents in the Davis Vision Plan.

As a safeguard to protect the utilization of the Vision Plan, City of Albuquerque and participating entities have a 2-year enrollment requirement under this plan. You and each member of your family have to fulfill the 2-year enrollment requirement before you can drop vision coverage unless the member resigns, retires or terminates employment.

Cost of Coverage

When you enroll in the vision plan, you are responsible for part of the premium cost. The chart below shows your cost, which is taken on a per pay period basis. As you can see, your amount depends on what family members you enroll.

Bi-Weekly Contributions	
	Davis Vision Plan
Employee only	\$0.40
Employee and spouse	\$0.77
Employee and children	\$0.81
Employee and family	\$1.21

Learn More

You can find more information at <http://eweb.cabq.gov/>

DAVIS VISION™
THE EYECARE ADVANTAGE

...passion for quality has led
Davis Vision to become the nation's
first and only vision care PPO
fully accredited by JCAHO

COLTS
LABORATORY

Davis Vision seamlessly integrates a highly credentialed nationwide provider network, award-winning filtration laboratories (COLTS Gold Quality Seal), world-class IT systems and benchmark CCI programs to ensure the provision of maximum vision care value. As a proven leader in the industry, now covering more than 24 million members coast-to-coast, Davis Vision is a unique position to optimize your company's benefits, satisfying employment needs through customized solutions.

To learn how Davis Vision can help your organization, visit www.davisvision.com and for additional information, please Call/Text/Email us on our toll-free 1-800-328-4706 ext. 3015.

**“The Closer You Look...
the Better We Look.”**

DAVIS VISION™
THE EYECARE ADVANTAGE
WWW.DAVISVISION.COM

Davis Vision Plan

The Davis Vision Plan offers vision coverage throughout the state. Providers represent all types of vision specialists including: private optometrists, ophthalmologists, free-standing retail stores and optical centers located within national retail department stores.



How the Davis Vision Plan Works

When you use a Davis Vision provider, your vision benefit covers a comprehensive eye examination, lenses (spectacle or contacts) and a \$40 allowance for frames.

In private offices, Davis Vision expands on the \$40 wholesale frame allowance by providing access to the Tower Collection available at network doctor offices. This provides access to 300 more fashionable frames including unisex styles and gender-specific classics. Many come with a one-year unconditional breakage warranty.

When you use out-of-network providers, you will receive a reimbursement up to an allotted amount. You will need to complete a claim form and send it to Davis Vision for reimbursement.

Send to:

Vision Care Processing Unit
P.O. Box 1525
Latham, NY 12110

To request claim forms, visit www.davisvision.com or call 800-999-5431.

Call 800-999-5431 to find a network provider near you or access the directory online at www.davisvision.com.

Vision Plan Exclusions

The following items are not covered by this vision program:

- Medical treatment of eye disease or injury
- Vision therapy
- Special lens designs or coatings, other than those previously described
- Replacement of lost eyewear
- Non-prescription (plano) lenses
- Services not performed by licensed personnel
- Contact lenses and eyeglasses in the same benefit cycle
- Two pairs of eyeglasses in lieu of a bifocal

Vision Benefits At-A-Glance

This chart is only a highlight of the benefits. Refer to your member certificate or group subscriber agreement for specific details, including limitations and exclusions.

	Network	Out-of-Network
Frequency		
Exam		Every 12 months
Eyeglasses		Every 12 months
Frames		Every 24 months
Contact lenses		Every 12 months
Exams	\$10 co-pay	Reimbursement up to \$35
Frames		Reimbursement up to \$35
Lenses		
Single	\$15 co-pay	Reimbursement up to:
Bifocal		\$25
Trifocal		\$40
Lenticular		\$55
Contact lenses ²		\$80
In lieu of eyeglasses	No charge up to allowable amount ¹	Reimbursement up to \$110
Medically necessary	No charge up to allowable amount ¹ (prior approval required)	Reimbursement up to \$210

¹To ensure maximum value for members, an exclusive contact lens program has been developed to provide contact lenses at no co-pay for members when ordering the Davis Vision formulary lenses. The program supplements the plan design specified \$110 allowance to ensure exceptional added value for contact lens wearers. Under the program, members will receive one pair of standard soft daily wear contact lenses, two boxes of planned replacement contact lenses, or four boxes of disposable contact lenses. A \$110 credit will be applied toward contact lenses from the provider's own supply (such as gas permeable or toric). When receiving services from a participating retail center, the credit will be applied toward the purchase of contact lenses and fitting/follow-up fees. Where required by state law, the full credit may be applied toward contact lenses only. Medically necessary contact lenses are covered in full (prior approval is required).

²Contact lenses can be worn by most people. Once the contact lens option is selected and the lenses are fitted, they may not be exchanged for eyeglasses. Routine eye examination may not include professional services for contact lens evaluations. Any applicable fees are the responsibility of the patient.

Basic Life and AD&D Insurance

If you are an eligible permanent full-time or part-time employee, you are covered by the CIGNA basic life and accidental death and dismemberment (AD&D) plan. Your employer provides this coverage at no cost to you.

The plan will pay you a benefit based on your yearly compensation (see the table below) if you die, or a percentage of the benefit if you suffer a dismembering injury such as losing a hand, foot, or your eyesight.

Your Yearly Compensation	Life Insurance Benefits	AD&D Benefits
Less than \$5,000	\$6,000	\$6,000
\$5,000 & less than \$6,000	\$8,000	\$8,000
\$6,000 & less than \$8,000	\$10,000	\$10,000
\$8,000 & less than \$10,000	\$12,000	\$12,000
\$10,000 & less than \$12,000	\$14,000	\$14,000
\$12,000 & less than \$15,000	\$17,000	\$17,000
\$15,000 & less than \$20,000	\$22,000	\$22,000
\$20,000 & less than \$25,000	\$28,000	\$28,000
\$25,000 & less than \$30,000	\$35,000	\$35,000
\$30,000 & less than \$35,000	\$40,000	\$40,000
\$35,000 & less than \$40,000	\$45,000	\$45,000
\$40,000 & over	\$50,000	\$50,000



CIGNA

A Business of Caring.

Learn More

To learn more, call 505-768-3758.

Help.

A good job, a hard day's work are the threads from which pride and self-respect are woven. Should a disabling accident or illness cut those threads, planning ahead can make an enormous difference. We focus on making sure people are prepared. And use some innovative ways to help them get back on their feet faster. We've found that when you remind people how much fun life is, they can't wait to be a part of it.



CIGNA

A Business of Caring.

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"CIGNA" refers to CIGNA Corporation and/or one or more of its subsidiaries. Products and services are provided by operating subsidiaries and not by CIGNA Corporation. "CIGNA" is also a registered service mark.

Voluntary Life Insurance

If you would like to purchase additional life insurance protection for you or your dependents, you may do so through CIGNA's voluntary life insurance. You must be a full-time employee and work a minimum of 20 hours per week to be eligible. This plan is a voluntary plan, meaning if you participate you are responsible for the entire cost of the premium.



CIGNA

A Business of Caring.

Voluntary Coverage for Yourself

You can buy coverage for yourself in increments of \$10,000 up to \$500,000. If you purchase an amount greater than \$250,000 or increase coverage after initial eligibility, you will need to provide evidence of insurability. Death benefits will be reduced by 50% at age 70. And, your coverage ends when you retire.

If you become totally disabled before turning 60 years old, your coverage will remain in force without needing to pay premiums provided the insurance company approves you for this benefit. There is a nine-month waiting period and benefits will continue to age 65, as long as you remain totally disabled and provide proof each year. If you become terminally ill, you may receive 50% of your death benefit up to \$250,000.

When you enroll in the voluntary life plan, you pay the premium cost through payroll deductions. The chart to the right shows your cost depending on your age and whether or not you smoke. Deductions are taken on a per pay period basis.

A sample contribution calculation

Employee (age 28, non-smoker)	$\$250,000 \div 10,000 = 25 \text{ units}$ 25 units X \$0.205 per unit	=	\$5.13
Spouse/Domestic Partner (age 24, smoker)	$\$100,000 \div 10,000 = 10 \text{ units}$ 10 units X \$0.422 per unit	=	\$4.22
Children	\$10,000 benefit level	=	\$0.920
	Total BI-weekly Cost		\$10.27

Additional AD&D Coverage

When you and/or your spouse/ domestic partner enroll in voluntary life insurance you automatically receive additional AD&D coverage of \$20,000.

Rate Per \$10,000		
Age	Smoker Rate	Non-Smoker Rate
Less than 30	\$0.422	\$0.205
30-34	\$0.524	\$0.262
35-39	\$0.840	\$0.422
40-44	\$1.160	\$0.627
45-49	\$2.150	\$1.210
50-54	\$3.220	\$1.790
55-59	\$4.690	\$2.580
60-64	\$5.950	\$3.320
65-69	\$8.790	\$4.950
70-74	\$16.74	\$9.320
75-79	\$25.990	\$14.470
80 and older	\$62.450	\$34.830

Voluntary Coverage for Your Dependents

If you decide to purchase coverage for your spouse/domestic partner, you may purchase coverage in increments of \$10,000 up to \$500,000, whether or not you purchase coverage for yourself. Rates are based on age. If you purchase an amount of dependent life coverage greater than the coverage amounts in the table to the right or increase coverage after initial eligibility, evidence of insurability will apply, which means you need to supply proof of good health which is acceptable to the insurance company.

You can also enroll your children in the plan. Coverage starts for children at least 14 days old through age 25. You can purchase coverage in increments of \$2,500 to a maximum of \$10,000 for children six months to 25 years old. A \$500 benefit is available for children 14 days to six months old.

Employee Coverage Amount	Spouse/Domestic Partner Coverage Guaranteed Amount
\$50,000	\$10,000
\$100,000	\$20,000
\$150,000	\$30,000
\$200,000	\$40,000
\$250,000	\$50,000

Child Coverage Amount	Rate
\$2,500	\$0.230
\$5,000	\$0.460
\$7,500	\$0.690
\$10,000	\$0.920

Guarantee issue is available only at initial eligibility. All other requests for coverage are subject to underwriting approval. Rates for age 75 and over apply to active, full-time employees only. Spouse/domestic partner coverage ends at age 75. Suicide is excluded for the first two years of voluntary life coverage. Exclusions for the AD&D coverage will be listed in the enrollment brochures. This is a summary of group term life insurance coverage available under CIGNA Group Insurance. For specific provisions, please contact the City of Albuquerque Insurance Office (505-768-3758). Underwritten by Life Insurance Company of North America. This information is a brief description of the important features of the plan. It is not a contract. In the event of a discrepancy between this summary and the group insurance policy, benefits will be paid according to the terms and conditions of the policy. Please refer to your Life Insurance Company of North America brochure for a complete description of benefits, limitations and exclusions.

Long-Term Disability Coverage

The long-term disability (LTD) plan pays benefits if you become disabled for an extended period of time. If you are a full-time employee and you work a minimum of 20 hours per week, you may purchase LTD insurance through CIGNA. This plan is a voluntary plan, meaning if you participate you are responsible for the entire cost of the premium.



A Business of Caring.

Your Age	Cost Per Dollar of Payroll
Less than 20	\$0.00262
20-24	\$0.00262
25-29	\$0.00262
30-34	\$0.00406
35-39	\$0.00406
40-44	\$0.00536
45-49	\$0.00770
50-54	\$0.01004
55-59	\$0.01199
60-64	\$0.01238
65 and older	\$0.01238

A sample contribution calculation

Your salary = \$32,000 at age 32

\$32,000 divided by 26 pay periods = \$1,231

\$1,231 multiplied by \$0.00406 (rate) = \$5.00 per paycheck

Bi-weekly salary maximum is \$3,846.

The LTD benefit provides you with income when you are unable to work for at least 90 days. Once you are disabled for 90 days of continuous disability, you will begin to receive disability benefits up to 60% of your eligible prior pay not to exceed \$5,000 of benefits per month. (The minimum monthly benefit is \$50.) The maximum amount may be reduced if you are receiving other sources of disability income from programs such as:

- Workers' compensation
- Social Security
- Another group disability or State disability plan
- A retirement plan, including PERA sponsored by your employer
- A dependent's coverage in which benefits are payable due to a covered person's disability
- Other government plans

If you are diagnosed with mental illness, drug or alcoholism benefits are limited to a 24-month lifetime maximum.

If you die while receiving benefits from the plan, a three-month sum will be paid to your beneficiary.

This plan contains a pre-existing limitation. This means that if you received medical treatment within three months before your coverage becomes effective, the plan will not pay benefits for a disability related to that condition. This limitation does not apply to a disability that begins after you are covered for at least 12 months after your coverage takes effect.

Definition of Disability

In order to receive benefits, you must be considered disabled under the plan, which generally means:

- **For the first 24 months of your disability**, you are not able to perform the duties of your own occupation and you are unable to earn more than 80% of your prior income.
- **After 24 months of disability**, you are not able to perform the duties of any occupation and you are unable to earn more than 60% of your prior income.

See the plan document for details, including limitations and exclusions.

Underwritten by Life Insurance Company of North America. A list of exclusions and limitations is included in the enrollment brochure. This information is a brief description of the important features of the plan. It is not a contract. In the event of a discrepancy between this summary and the group insurance policy, benefits will be paid according to the terms and conditions of the policy. Please refer to your Life Insurance Company of North America brochure for a complete description of benefits, limitations and exclusions.

Flexible Spending Accounts

You may choose to participate in one or both of the flexible spending accounts:

- Medical Care Reimbursement Account
- Dependent Care Reimbursement Account

These accounts are administered by BASIC, who holds your payroll deductions and makes reimbursements to you out of your account(s). You must complete the Flexible Benefit Plan Election/Change Form and the Direct Deposit Authorization Form (located on the back of the enrollment form) to participate.

The medical care reimbursement account lets you set aside tax-free-dollars for a wide range of health-related expenses that are not covered by the medical, dental or vision plans. You do not have to enroll in the medical, dental or vision plans to participate in this program.

The dependent care reimbursement account lets you set aside tax-free dollars for eligible day care expenses for your dependents.

For expenses to qualify:

- You and your spouse must be employed or actively seeking employment or attending school full time.
- Dependent care provider must claim payments as income.
- Dependent care expenses paid during a sick leave, holiday, or vacation are not eligible.
- Expenses must be for the care of a qualified person:
 - A child under 13 years old who is a dependent for income tax purposes. (If your child turns 13 during the plan year, expenses are no longer eligible for reimbursement.)
 - A spouse or dependent who is incapable of self-care and regularly spends at least eight hours per day in your home (i.e. an invalid parent). The same rules that apply for child care apply to the care of other dependents, except that the dependent need not be under age 13.

How the Accounts Work

First, you must incur an eligible expense. Then, you submit a Reimbursement Form and receipts to BASIC. You will receive the reimbursement through direct deposit if you complete the Direct Deposit Authorization Form. Since you are reimbursing yourself with "tax-free" dollars, you have more buying power than if you paid for the same expenses with after-tax dollars.

When you enroll, you need to decide how much you would like to contribute to your accounts each year:

- **For the medical care account**, the plan limit is \$5,000 per eligible employee per year. If you and your spouse are employed by the City each can contribute \$5,000.
- **For the dependent care account**, the maximum amount is \$5,000 (married-filing jointly) or \$2,500 (married-filing separately) each year.

You must carefully consider how much you would like to contribute. Because of the tax break, the IRS requires a "use it or lose it" feature for this benefit. That means if you have money left in your account at the end of the plan year, it will be forfeited.

You must enroll each year if you want to continue participating in the flexible spending account program.



Learn More

You can find more information at <http://eweb.cabq.gov/>

The dependent care account is a pay-as-you-go account. Your employer will not advance any money.

You should check with a tax advisor to see what your savings might be if you participate in the flexible spending account program.

Note that you are unable to use certain tax credits if you use the FSA accounts.

Federal regulations do not permit domestic partners to participate in the flexible spending accounts.

This is an example* of how you can save tax dollars with an FSA.

	With FSA	Without FSA
Annual income	\$40,000	\$40,000
Estimated health care expense	\$3,500	\$0
Taxable income	\$36,500	\$40,000
Estimated federal tax	\$5,475	\$6,000
Estimated Social Security tax	\$2,792	\$3,060
Healthcare expenses	\$0	\$3,500
Net pay	\$28,233	\$27,440
Savings with FSA	\$793	N/A

*Based on 2004 federal income and Social Security taxes with standard deductions when filing married, jointly with two or more dependents.

Eligible FSA medical expenses include:

- Ambulance service
- Birth control
- Co-pays and deductibles
- Crutches
- Eye glasses
- Nursing care
- Medically prescribed physical therapy
- Orthodontics¹
- Over-the-counter medicines such as pain relievers, antacids, allergy medicines and cold medicines²
- Smoking cessation programs, nicotine patches, and nicotine gum
- Special Needs³

For a comprehensive list of eligible expenses, visit www.irs.gov and search for IRS Publication No. 502.

Eligible FSA dependent care expenses include:⁴

- The costs for dependent day care, at home or in a day care center
- Nursery school expenses

For more information, visit www.irs.gov and search for IRS Publication No. 503.

Examples of **ineligible health care expenses** include Retin-A, weight loss programs, health club dues, diaper service, long-term care expenses.

Examples of **ineligible dependent care expenses** include transportation expenses, convalescent or nursing home expenses and overnight camp expenses.

Parking and Transit Plan (Section 132 Plan)

Now you can also save money on your transit costs (up to 40%) by joining the parking and transit program administered by BASIC.

You can pay for your work-related parking and mass transit costs with tax-free dollars. Because the City pays the administration fee, there is no cost to participate in this program.

How Much You Can Allocate Tax-Free?

The 2005 fiscal year limit for mass transit is \$105 per month and \$200 per month for parking. Any unused funds continue to roll over month-to-month, year-to-year as long as you are an active employee.

Enrolling

City-Owned Lots:

You must complete the Parking Enrollment Form authorizing Payroll to convert your current deduction to a tax-free deduction.

Non-City Lots:

You must enroll online at www.basichr.nu. Be prepared with your checking account number and routing information.

To receive reimbursement for non-City lot parking, expenses must be submitted online at www.basic.hr.nu. You will receive your reimbursement by direct deposit only.

What Expenses Are Eligible

Your parking expenses on or near the premises of the City of Albuquerque or a location from which you commute to work by transit, van or carpool.

Parking/transit expenses resulting from travel to or from meetings, to visit other City departments, or other locations are ineligible for reimbursement.

Reimbursement can only be made in accordance with the orthodontia contract. (e.g., monthly, quarterly, etc.) The orthodontia contract must be provided with each claim. These items must be purchased to alleviate or treat personal injury or sickness. Eligible items do not require a prescription. If the cash register receipt does not show the item description, a copy of the product packaging with price tag will be needed with the receipt.

The service must be prescribed by a physician to treat a medical condition. Treatment cannot be for general health and/or well being. The services may be provided in your home or another location, but not by someone who is your minor child or dependent for income tax purposes (i.e. an older child).

- If the services are provided by a day care facility, that facility must comply with state day care regulations.
- Services must be for the physical care of the dependent, not for education, meals, registration, etc.
- Overnight camps and lessons in lieu of day care are not eligible for reimbursement from a dependent care account.



BASIC
Western USA, Inc.
B.A.S.I.C. FLEX

2526 E. Lee Street
Tucson, AZ 85716
During Open Enrollment:
800-473-0455
After July 1, 2005:
800-444-1922, Ext. 1

City Sponsored Benefit

GREAT CHANGES FOR PLAN YEAR 2005

- City paid benefit
 - No employee cost to join
- Permitted to change contributions
 - Increase/decrease amounts⁴
 - Drop out of FSA⁴
- Medical Reimbursement Increase
 - Limit: Up to \$5,000
- Dependent Care Expense
 - Limit: Up to \$5,000

24/7 ACCESS TO ACCOUNT BALANCES

- IVR: Toll Free Number
- Internet Access

ADVANTAGES

- Save Payroll Taxes
 - 20% to 40% savings on:
 - ▶ Out-of-pocket medical, dental and vision
 - ▶ Day care expenses

QUICK, FAST TURNAROUND ON CLAIMS

- Direct deposit available
- Claims processed daily
- Designated Service Representative

** If IRS approved status change occurs*

Supplemental Retirement Plans 'Your 457 Deferred Compensation Program'

Deferred Compensation seeks to provide the "Extra" money you need for a more enjoyable and comfortable retirement lifestyle.

What is Deferred Compensation?

- Voluntary, IRS-approved retirement savings plan
- Pre-Tax and Tax Deferred (Income taxes are due in the year in which the money is withdrawn)
- Deducted from paycheck

Contact your Plan Representative for more information.
Your Benefits Department offers these Deferred Compensation Providers:

 <p>ICMA RETIREMENT CORPORATION The public service Vantagepoint since 1972</p> <p>Representative: Steve Lopez Telephone: (505) 842-8610 Toll Free: (800) 735-7202 x5962 Email: slopez@icmarc.org</p> <p>Representative: Frank Morales Telephone: (505) 892-2554 Email: fmorales@icmarc.org</p> <p>ICMA RC</p> <p><u>Serving the following entities:</u></p> <p>City of Albuquerque Bernalillo County Town of Bernalillo Sandoval County</p>	<p>AIG VALIC</p> <p>WE KNOW RETIREMENT.™</p> <p>Representative: Michael Roth Local: (505) 830-4381 Mobile: (505)-991-2281 Toll Free: (800) 892 5558 x87531 Email: michael_roth@aigvalic.com</p> <p>Representative: Jeremy Mitchell Local: (505) 830-4381 Mobile: (505) 263-4180 Toll Free: (800) 892-5558 x87607 Email: jeremy_mitchell@aigvalic.com</p> <p>Representative: Thomas Morin Local: (505) 830-4381 Toll Free: (800) 892-5558 x89667 Email: thomas_morin@aigvalic.com</p> <p><u>Serving the following entities:</u></p> <p>City of Albuquerque Bernalillo County Sandoval County</p>	 <p>Nationwide® Retirement Solutions a Nationwide® Financial company</p> <p>Representative: Lisa Levy Local: (505) 989-4992 Toll Free: (866) 827-6639 x44418 Email: levyl@nationwide.com</p> <p>NATIONWIDE</p> <p><u>Serving the following entities:</u></p> <p>City of Albuquerque State of New Mexico</p>
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Contacts and Resources

Employer

Office	Contact Name and Number
City of Albuquerque Insurance and Benefits Office	Jan Gibson Human Resources Manager Insurance and Benefits 505-768-3758 (Fax) 505-768-3760 Sam Vallejos Insurance Coordinator 505-768-3729 (Fax) 505-768-3760
Santa Fe PERA Office	800-342-3422
Albuquerque PERA Office	505-883-4503
Santa Fe Retiree Health Care Office	800-233-2576
Albuquerque Retiree Health Care Office	505-242-0861

Insurance Companies

	Provider Group Number	Customer Service Web Site Addresses
Medical	Lovelace 20002700	505-262-7363 www.lovelacehealthplan.com
	Presbyterian	505-923-5678 www.phs.org/healthplan
Dental	Delta Dental 2517-0001	877-395-9420 505-855-7111 www.deltadentalnm.com
	United Concordia (High Option) 844614 (Low Option) 845000	800-332-0366 www.ucci.com
Vision	Davis Vision ABQ001	800-999-5431 www.davisvision.com
Basic Life and AD&D Insurance	CIGNA (Basic) 2027553 (Voluntary) FLX980018	800-238-2125, ext. 3146 www.cigna.com
Disability Coverage	CIGNA FLX980018-001 VDT960021-001	800-352-0611, ext. 7133 www.cigna.com
Supplemental Retirement Plans	AIG VALIC	505-830-4381 (Mike Roth) 505-263-4180 (Jeremy Mitchell) www.aigvalic.com
	ICMA	800-667-7400 505-842-8610 (Steve Lopez) 505-892-2554 (Frank Morales) www.icmarc.org
	Nationwide	866-827-6639, ext. 44418 www.nationwide.com
Flexible Spending Accounts	BASIC Western 503	800-444-1922, ext. 1 www.basichr.nu
Parking/Transit Plan	BASIC Western	800-444-1922, ext. 220 www.basichr.nu

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APPENDIX 10 PERFORMANCE STANDARDS

- I. Reporting**
- A. Provide monthly reporting for premium, paid claims, breakdown of employees and dependent units as billed by the end of the month following the reporting month.
- | | |
|----------------|---------|
| Non-Compliance | \$1,000 |
|----------------|---------|
- B. Provide listing of large claims (over \$20,000). This will be provided quarterly within 30 days of the end of the quarter (if applicable).
- | | |
|----------------|-------|
| Non-Compliance | \$500 |
|----------------|-------|
- C. Provide utilization statistics quarterly:
- Admission/1,000
 - Days/100
 - Average length of Stay
 - Covered Charges/admissions
 - Physician visits/1,000
- | | |
|----------------|---------|
| Non-Compliance | \$1,000 |
|----------------|---------|
- II. Claim Processing**
- A. Turn Around Time from the date a claim is received to date the check is issued:
- | | |
|------------------------|----------------------------|
| Non-investigated Claim | 90% within 14 working days |
| Investigated Claims | 90% within 30 working days |
| Financial Accuracy | 99% |
| Payment Accuracy | 98% |
- Non-Compliance \$1,500 each report each quarter
- Report due 30 days from the end of the quarter.
Carrier will provide reports each quarter. Please include your definitions of each category.
- III. Customer Service**
- A. I.D. Cards
100% of ID cards sent to members within 5 business days of receipt of enrollment materials.
- B. Telephone Response Time
90% of all calls to customer service answered with in 30 seconds based upon carrier reporting format.
- C. Abandonment Rate
5% of all calls based upon the carrier reporting capability.
- | | |
|----------------|------------------------------|
| Non-Compliance | \$500 per month per category |
|----------------|------------------------------|
- IV. Administration**
- A. Billing Reconciliation
Total bill reconciliation of the premium due from each month's bill. This must be completed by the end of the next month following the premium due date for the bill.
- | | |
|----------------|-----------------|
| Non-Compliance | \$500 per month |
|----------------|-----------------|
- B. Service Response Time
The amount of time it takes for a representative to respond to a telephone message request for a service need from the benefit's staff. Each request should get a response within 2 business days. This also applies to any agreed upon service need when a mutually agreed date is set or when the carrier has set a date.
- | | |
|----------------|-------|
| Non-Compliance | \$500 |
|----------------|-------|

**APPENDIX 11
LARGE CLAIMS**

PRESBYTERIAN HEALTH PLAN

Date of Report: October 21, 2005

CITY OF ALBUQUERQUE

Period Reviewed: 9/1/2004 - 08/31/2005

Cases Over: \$100,000

MEMBER STATUS	DIAGNOSIS	AMOUNT BILLED	AMOUNT PAID	IN/OUT OF NETWORK	DATE OF RESOLUTION	ESTIMATED FUTURE COSTS
ACTIVE	Diabetes, Coronary Artery Disease, Pyogenic Arthritis, Asthma	\$190,200	\$103,800	IN	Ongoing	\$30,000
ACTIVE	Liver Transplant	\$245,000	\$188,300	IN/OUT	Ongoing	\$35,000
ACTIVE	Congenital Heart Disease, Intestinal Atresia	\$744,300	\$201,900	IN	Ongoing	\$25,000
ACTIVE	Coronary Artery Disease, Atrial Fibrillation, Diabetes	\$256,200	\$202,500	IN/OUT	Ongoing	\$25,000
ACTIVE	Chronic Renal Failure	\$299,200	\$215,100	IN	Ongoing	\$200,000
ACTIVE	Preterm Infant	\$179,400	\$111,300	IN	Ongoing	\$20,000
ACTIVE	Preterm Twin	\$487,500	\$165,300	IN	Ongoing	\$15,000
TERMED	Coronary Artery Disease, Chronic Renal Failure	\$542,000	\$203,100	IN	N/A	\$0
ACTIVE	Diabetes, Coronary Artery Disease, Cardiac Arrest	\$239,900	\$175,200	IN/OUT	Ongoing	\$15,000
ACTIVE	Diabetes, Coronary Artery Disease	\$205,700	\$126,500	IN	Ongoing	\$15,000
ACTIVE	Acute Renal Failure, Pneumonia with Acute Respiratory Failure	\$462,200	\$307,100	IN	Ongoing	\$25,000
TOTALS		\$3,851,600	\$2,000,100			\$405,000

APPENDIX 11 LARGE CLAIMS



Lovelace Health Plan
 City Of Albuquerque
 Large Claimants - \$50,000+
 Dates of Service October 1, 2004 through September 30, 2005
 Claims Paid through 10/31/2005

Claimant	Major Diagnosis	Claim Amount
1.	BREAST DISORDER	234,477.94
2.	CORONARY ATHEROSCLEROSIS	153,135.82
3.	INTESTINAL FISTULA	133,495.13
4.	CANCER	113,245.38
5.	GENITAL ORGANS OTHER INFLAMMATORY DISORDERS	111,047.11
6.	CANCER	79,843.59
7.	TRAUMA	79,642.26
8.	CARDIAC DISEASE	76,401.17
9.	GENITAL ORGANS OTHER INFLAMMATORY DISORDERS	70,151.51
10.	OVARIAN CYST	62,670.21
11.	CARDIAC DISEASE	62,548.06
12.	CELLULITIS	65,435.16
13.	CANCER	55,857.22
14.	CANCER	54,287.02
15.	CANCER	60,569.98

Medical Economists, prepared by dmj

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