

AGENDA REQUEST FORM
THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Meeting Date 10/16/12	Open Agenda Yes <input checked="" type="checkbox"/> No	Special Order Request Yes <input checked="" type="checkbox"/> No	Agenda Item Number E-1
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TITLE: **RFP 13-010V Voluntary Supplemental Insurance For School Board Employees**

REQUESTED ACTION:
 Approve the RFP recommendations and the contracts for Texas Life Insurance Company and Washington National Insurance Company and cease additional enrollment for existing vendors: Allstate Financial Workplace, CNA Group Benefits, ING Employee Benefits, MassMutual Life Insurance Co., Pre-Paid Legal Services, Inc., and U.S. Legal Services, Inc.

SUMMARY EXPLANATION AND BACKGROUND:
 This RFP was developed and reviewed in a public meeting by the Superintendent's Insurance Advisory Committee on March 28, 2012. The purpose of the RFP was to establish accountability through a contractual relationship with carriers offering voluntary employee paid benefits.

The RFP was issued on April 11, 2012. On May 25, 2012, proposals were received from fifteen (15) companies:

1. AFLAC (McKinley)	9. MassMutual D/B/S Financial
2. AFLAC (Willis)	10. MetLife Resources
3. AIG Benefit Solutions	11. Texas Life Insurance Co.
4. Allstate Benefits	12. Travelers
5. ARAG Insurance Co.	13. Trustmark Insurance Co.
6. Colonial Life & Accident Insurance Co.	14. U.S. Legal Services, Inc.
7. Humana (Kanawha Insurance Co.)	15. Washington National Insurance Co.
8. Liberty Mutual	

Page 1 of 2

SCHOOL BOARD GOALS:

- ☐ •Goal One: Raise achievement of all students to ensure graduation from high school and readiness for post-secondary education.
- ☒ •Goal Two: Improve the health and wellness of students and personnel.
- ☐ •Goal Three: Provide a safe and secure physical and technological environment for all students and employees.
- ☐ •Goal Four: Promote innovation which focuses on best practices and quality efforts that improve our best-in-class position.
- ☐ •Goal Five: Recruit, develop, retain, and recognize high performing and diverse faculty and personnel.
- ☐ •Goal Six: Build strong partnerships with family, business, community and government at the classroom, school, area, and district level.
- ☐ •Goal Seven: Ensure district's leadership as an environmental steward through innovative ecology and energy conservation programs.

FINANCIAL IMPACT:
 There will be no financial impact to the District.

EXHIBITS: (List)

- Executive Summary
- Texas Life Insurance
- Washington National Insurance
- Superintendent Insurance Advisory Committee Minutes – July 18 and July 19, 2012.
- RFP 13-010V

BOARD ACTION: <div align="center">APPROVED</div> (For Official School Board Records' Office Only)	SOURCE OF ADDITIONAL INFORMATION: Dr. Dildra Martin-Ogburn 754-321-2150 Mr. Bill Harris 754-321-0501 <hr/> Name Phone
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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Maurice L. Woods *M.W.*
Chief Strategy & Operations Officer
Office of Strategy & Operations

Approved in Open Board Meeting on: OCT 16 2012

By: *Carla Murray* School Board Chair

Form #4189
 Revised 10/11
 RWR/MLW/DMO/BH:pg

SUMMARY EXPLANATION AND BACKGROUND: Continued

The Superintendent's Insurance Advisory Committee evaluated the proposals on July 18, and July 19, 2012. The Committee evaluated the proposals, based on experience and qualifications, scope of services provided, Minority Women Business participation (M/WBE), and cost of services provided. As a result of the evaluation, the Committee recommended to the Superintendent the following awards:

Accident Plan

1. AIG Benefit Solutions
2. Allstate Benefits
3. Washington National Insurance Co.

Cancer/Critical Illness

4. AIG Benefit Solutions
5. Allstate Benefits
6. Washington National Insurance Co.

Hospital Indemnity/Intensive Care

7. Allstate Benefits

Long Term Care

8. MassMutual D/B/S Financial

Group Universal Life

9. AIG Benefit Solutions
10. Allstate Benefits

Voluntary Permanent Life

11. Texas Life Insurance Co.

The Superintendent's Insurance Advisory Committee met on September 18, 2012, and an impasse was declared in contract negotiations with the following companies:

1. AIG Benefit Solutions
2. Allstate Benefits
3. MassMutual D/B/S Financial

As a result of the impasse, The Superintendent's Insurance Advisory Committee recommendation to award is amended to award to the following companies:

Accident Plan

1. Washington National Insurance Co.

Cancer/Critical Illness

2. Washington National Insurance Co.

Voluntary Permanent Life

3. Texas Life Insurance Co.

The RFP provides for freezing enrollment for vendors that were not selected in the RFP process. To ensure that there is not a negative impact to School Board employees enrolled in plans not selected, the vendors will be allowed to continue to service those employees currently enrolled in their plans. However, no new enrollment will be allowed through payroll deductions into vendors/plans that were not selected.

EXECUTIVE SUMMARY

RFP 13-010V

RFP 13-010V Voluntary Supplemental Insurance For School Board Employees

The Superintendent's Insurance Advisory Committee evaluated proposals on July 18, and July 19, 2012. The Committee evaluated the proposals, based on experience and qualifications, scope of services provided, Minority Women Business participation (M/WBE), and cost of services provided. As a result of the evaluation, the Committee recommended to the Superintendent the following awards:

Accident Plan

1. AIG Benefit Solutions
2. Allstate Benefits
3. Washington National Insurance Co.

Cancer/Critical Illness

4. AIG Benefit Solutions
5. Allstate Benefits
6. Washington National Insurance Co.

Hospital Indemnity/Intensive Care

7. Allstate Benefits

Long Term Care

8. MassMutual D/B/S Financial

Group Universal Life

9. AIG Benefit Solutions
10. Allstate Benefits

Voluntary Permanent Life

11. Texas Life Insurance Co.

Based on the Committee's recommendation, SBBC staff and Gallagher Benefit Services drafted Agreements for each vendor that was recommended for award. Over several weeks, there were numerous conference calls, emails and discussions with three (3) of the vendors (AIG Benefit Solutions, Allstate Benefits, and MassMutual D/B/S Financial), and District attorney Robert Paul Vignola in an attempt to finalize the Agreements. The vendors attempted to change terms and conditions previously agreed upon, in their response to the RFP and subsequent negotiations during the July 19, 2012, Superintendent's Insurance Advisory Committee Meeting.

The Superintendent's Insurance Advisory Committee met on September 18, 2012, and an impasse was declared in contract negotiations with the following companies:

1. AIG Benefit Solutions
2. Allstate Benefits
3. MassMutual D/B/A Financial

The following is a summary of the repudiated terms and conditions proposed and accepted during the RFP process and previous negotiations by the vendors:

AIG Benefit Solutions

- AIG offered a non-binding proposal
- Business Associate Agreement without modifications
- Cannot administer some of the negotiated benefit changes (i.e., initial doctor office visit, income rider, wellness benefit)
- Will not agree to the Performance Guarantees without deviations
- Will not agree to the Termination provision
- Will not agree to the Assignment provision
- Wants SBBC to sign a master application and employer agreement that has terms and conditions that conflict with the RFP and SBBC Agreement.

Allstate Benefits

- Cannot agree to 36-month rate guarantee due to state filing
- Will not agree to M/WBE commitments
- Will not agree to the Inspection of Records by SBBC provision
- Will not agree to the Termination provision
- Will not agree to the Excess Funds provision
- Will not agree to the Student Records provision
- Wants SBBC to sign a group account information form

MassMutual D/B/S Financial

Per email received September 12, 2012, "I regret to inform you that we will not be able to move forward and sign the contract as it stands due to various legal issues we have come across."

As a result of the impasse, The Superintendent's Insurance Advisory Committee recommendation to award was amended to award to the following companies:

Accident Plan

1. Washington National Insurance Co.

Cancer/Critical Illness

2. Washington National Insurance Co.

Voluntary Permanent Life

3. Texas Life Insurance Co.

AGREEMENT

THIS AGREEMENT is made and entered into as of this 16th day of October, 2012, by and between

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

(hereinafter referred to as "SBBC"),

a body corporate and political subdivision of the State of Florida,

whose principal place of business is

600 Southeast Third Avenue, Fort Lauderdale, Florida 33301

and

TEXAS LIFE INSURANCE COMPANY

(hereinafter referred to as "Texas"),

whose principal place of business is

900 Washington Avenue

Waco, Texas 76701

WHEREAS, SBBC issued a Request for Proposals, identified as RFP 13-010V Voluntary Supplemental Insurance Plans/Programs, dated April 11, 2012, and amended by Addendum Number 1, dated May 4, 2012, and Addendum Number 2, dated May 7, 2012, (hereafter referred to as "RFP") which is incorporated by reference herein, for the purpose of receiving proposals for Voluntary Supplemental Insurance Plans/Programs for SBBC employees; and

WHEREAS, Texas offered a proposal dated May 24, 2012, (hereafter referred to as "Proposal") which is incorporated by reference herein, in response to RFP.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 - RECITALS

1.01 **Recitals.** The parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

ARTICLE 2 – SPECIAL CONDITIONS

2.01 **Term of Agreement.** Unless terminated earlier pursuant to Section 3.05 of this Agreement, the term of this Agreement shall commence on January 1, 2013, and conclude on December 31, 2015. The term of the contract may, by mutual agreement, upon final SBBC approval, be extended for two additional one year periods and, if needed, 180 days beyond the final renewal period.

2.02 **Premiums.** The premium rates will only be modified if Texas's premiums are changed for the entire State of Florida block of business.

2.03 **Business Associate Agreement.** Texas agrees to execute the Business Associate Agreement without any deviations.

2.04 **Commission Schedule.** Commissions will be paid using the Commission Schedule, which is more fully described as Attachment A to this Agreement.

2.05 **Marketing.** Texas agrees to only market to SBBC employees the following coverage – PureLife plus permanent life as more fully described in the Proposal.

2.06 **Participation.** Texas agrees to waive all participation requirements for all products.

2.07 **Portability / Conversion.** Texas agrees to provide a portability option for all plans offered upon employee termination. An employee can port the policy they are on at the same benefits and at the same rate. Texas further agrees to waive the administration fee of \$2.00 if the member continues through EFT debit based services.

2.08 **Performance Guarantees.** Texas Life agrees to provide the Performance Standards/Guarantees as outlined in Attachment I to the RFP without deviation as qualified in Attachment I in the Proposal as it relates to "Claim Timeliness" (Subject to receipt of all claims requirements.) and "Claims/Inquiries/Complaints (Information is tracked by business day, not calendar day). Texas further agrees to provide at a minimum annual reporting and metrics on each of the performance guarantees and understands that SBBC has the right to audit any of the reported metrics.

2.09 **Domestic Partners.** Texas agrees to offer all the products to domestic partners at the same rates as the spouses of SBBC employees. Further Texas agrees to use SBBC domestic partner affidavit.

2.10 **Underwriting.** Texas agrees to only three underwriting questions looking back at the previous six months for employees and spouses and one underwriting question for children and one question regarding tobacco use in order to determine the appropriate rate class. Texas also reserves the right to add additional questions as required by law with advance notification to SBBC.

2.11 **Benefits.** Texas Life agrees to provide the benefits as described below and additional benefits as described in the Proposal:

- Minimum face value of \$10,000 and a maximum face value of \$150,000, subject to issue age limitations shown in the Proposal
- Death benefit is equal to the face amount less any policy loan
- Minimum interest rate is four percent
- Current interest rate is four percent
- A two year contestability for suicide only

- Waiver of premium is at SBBC's option
- Accelerated death benefit rider at no cost which allows for a member to receive 92 percent of the face amount due to a terminal illness with 12 months or less to live. Texas will charge a \$100 administrative cost/fee.

2.12 **M/WBE.** Texas agrees to take the appropriate steps and implement the use of M/WBE firms for this Agreement.

2.13 **Section 125.** Premiums for the Texas product will be paid with after-tax contributions.

2.14 **Inspection of Texas's Records by SBBC.** Texas shall establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by SBBC under this Agreement. All Texas's Records, regardless of the form in which they are kept, shall be open to inspection and subject to audit, inspection, examination, evaluation and/or reproduction, during normal working hours, by SBBC's agent or its authorized representative to permit SBBC to evaluate, analyze and verify the satisfactory performance of the terms and conditions of this Agreement and to evaluate, analyze and verify any and all invoices, billings, payments and/or claims submitted by Texas or any of Texas's payees pursuant to this Agreement. Texas's Records subject to examination shall include, without limitation, those records necessary to evaluate and verify direct and indirect costs (including overhead allocations) as they may apply to costs associated with this Agreement. Texas's Records subject to this section shall include any and all documents pertinent to the evaluation, analysis, verification and reconciliation of any and all expenditures under this Agreement without regard to funding sources.

(a) **Texas's Records Defined.** For the purposes of this Agreement, the term Texas's Records shall include, without limitation, accounting records, payroll time sheets, cancelled payroll checks, W-2 forms, written policies and procedures, computer records, disks and software, videos, photographs, executed subcontracts, subcontract files (including proposals of successful and unsuccessful bidders), original estimates, estimating worksheets, correspondence, change order files (including sufficient supporting documentation and documentation covering negotiated settlements), and any other supporting documents that would substantiate, reconcile or refute any charges and/or expenditures related to this Agreement. The term Texas' Records shall not include the individual policy contracts or associated policyholder correspondence or records for SBBC insureds.

(b) **Duration of Right to Inspect.** For the purpose of such audits, inspections, examinations, evaluations and/or reproductions, SBBC's agent or authorized representative shall have access to Texas's Records from the effective date of this Agreement, for the duration of the term of this Agreement, and until the later of five (5) years after the termination of this Agreement or five (5) years after the date of final payment by SBBC to Texas pursuant to this Agreement.

(c) Notice of Inspection. SBBC's agent or its authorized representative shall provide Texas reasonable advance notice (not to exceed two (2) weeks) of any intended audit, inspection, examination, evaluation and or reproduction.

(d) Audit Site Conditions. SBBC's agent or its authorized representative shall have access to Texas's facilities during Texas' normal operating hours and to any and all Texas Records related to this Agreement, and shall be provided adequate and appropriate work space in order to exercise the rights permitted under this section.

(e) Failure to Permit Inspection. Failure by Texas to permit audit, inspection, examination, evaluation and/or reproduction as permitted under this Section shall constitute grounds for termination of this Agreement by SBBC for cause and shall be grounds for the denial of some or all of any Texas's claims for payment by SBBC.

(f) Overcharges and Unauthorized Charges. If an audit conducted in accordance with this Section discloses overcharges or unauthorized charges to SBBC by Texas in excess of two percent (2%) of the total billings under this Agreement, the actual cost of SBBC's audit shall be paid by Texas. If the audit discloses billings or charges to which Texas is not contractually entitled, Texas shall pay said sum to SBBC within twenty (20) days of receipt of written demand under otherwise agreed to in writing by both parties.

(g) Inspection of Subcontractor's Records. Texas shall require any and all subcontractors, insurance agents and material suppliers (hereafter referred to as "Payees") providing services or goods with regard to this Agreement to comply with the requirements of this section by insertion of such requirements in any written subcontract. Failure by Texas to include such requirements in any subcontract shall constitute grounds for termination of this Agreement by SBBC for cause and shall be grounds for the exclusion of some or all of any Payee's costs from amounts payable by SBBC to Texas pursuant to this Agreement and such excluded costs shall become the liability of Texas.

(h) Inspector General Audits. Texas shall comply and cooperate immediately with any inspections, reviews, investigations, or audits deemed necessary by the Florida Office of the Inspector General or by any other state or federal officials.

2.14 Notice. When any of the parties desire to give notice to the other, such notice must be in writing, sent by U.S. Mail, postage prepaid, addressed to the party for whom it is intended at the place last specified; the place for giving notice shall remain such until it is changed by written notice in compliance with the provisions of this paragraph. For the present, the Parties designate the following as the respective places for giving notice:

To SBBC:

Superintendent of Schools
The School Board of Broward County, Florida
600 Southeast Third Avenue
Fort Lauderdale, Florida 33301

With a Copy to:

Executive Director of Benefits & EEO Compliance
The School Board of Broward County, Florida
7770 W. Oakland Park Boulevard, 1st Floor
Sunrise, Florida 33351

To Texas: Texas Life Insurance Company
900 Washington Avenue
Waco, Texas 76703

With a Copy to: Steve R. Worley, Vice President, Marketing
Texas Life Insurance Company
900 Washington Avenue
Waco, Texas 76701

With a Copy to: Ralph Tumolo
c/o Teachers Financial Services
6000 N. University Drive, Suite 100
Tamarac, Florida 33321

2.15 **Background Screening:** Texas agrees to comply with all requirements of Sections 1012.32 and 1012.465, Florida Statutes, and all of its personnel who (1) are to be permitted access to school grounds when students are present, (2) will have direct contact with students, or (3) have access or control of school funds, will successfully complete the background screening required by the referenced statutes and meet the standards established by the statutes. This background screening will be conducted by SBBC in advance of Texas or its personnel providing any services under the conditions described in the previous sentence. Texas shall bear the cost of acquiring the background screening required by Section 1012.32, Florida Statutes, and any fee imposed by the Florida Department of Law Enforcement to maintain the fingerprints provided with respect to Texas and its personnel. The parties agree that the failure of Texas to perform any of the duties described in this section shall constitute a material breach of this Agreement entitling SBBC to terminate immediately with no further responsibilities or duties to perform under this Agreement. Texas agrees to indemnify and hold harmless SBBC, its officers and employees from any liability in the form of physical or mental injury, death or property damage resulting in Texas's failure to comply with the requirements of this Section or with Sections 1012.32 and 1012.465, Florida Statutes.

2.16 **Indemnification.** This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.

A. By SBBC: SBBC agrees to be fully responsible up to the limits of Section 768.28, Florida Statutes, for its acts of negligence, or its agent's acts of negligence when acting within the scope of their employment and agrees to be liable for any damages resulting from said negligence.

B. By Texas: Texas agrees to indemnify, hold harmless and defend SBBC, its agents, servants and employees from any and all claims, judgments, costs, and expenses including, but not limited to, reasonable attorney's fees, reasonable investigative and discovery costs, court costs and all other sums which SBBC, its agents, servants and employees may pay or become obligated to pay on account of any, all and every claim or demand, or assertion of liability, or any claim or action founded thereon, arising or alleged to have arisen out of the

products, goods or services furnished by Texas, its agents, servants or employees; the equipment of Texas, its agents, servants or employees while such equipment is on premises owned or controlled by SBBC; or the negligence of Texas or the negligence of Texas's agents when acting within the scope of their employment, whether such claims, judgments, costs and expenses be for damages, damage to property including SBBC's property, and injury or death of any person whether employed by Texas, SBBC or otherwise.

ARTICLE 3 – GENERAL CONDITIONS

3.01 **No Waiver of Sovereign Immunity.** Nothing herein is intended to serve as a waiver of sovereign immunity by any agency or political subdivision to which sovereign immunity may be applicable or of any rights or limits to liability existing under Section 768.28, Florida Statutes. This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.

3.02 **No Third Party Beneficiaries.** The parties expressly acknowledge that it is not their intent to create or confer any rights or obligations in or upon any third person or entity under this Agreement. None of the parties intend to directly or substantially benefit a third party by this Agreement. The parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against any of the parties based upon this Agreement. Nothing herein shall be construed as consent by an agency or political subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

3.03 **Independent Contractor.** The parties to this agreement shall at all times be acting in the capacity of independent contractors and not as an officer, employee or agent of one another. Neither party or its respective agents, employees, subcontractors or assignees shall represent to others that it has the authority to bind the other party unless specifically authorized in writing to do so. No right to SBBC retirement, leave benefits or any other benefits of SBBC employees shall exist as a result of the performance of any duties or responsibilities under this Agreement. SBBC shall not be responsible for social security, withholding taxes, contributions to unemployment compensation funds or insurance for the other party or the other party's officers, employees, agents, subcontractors or assignees.

3.04 **Equal Opportunity Provision.** The parties agree that no person shall be subjected to discrimination because of age, race, color, disability, gender identity, gender expression marital status, national origin, religion, sex or sexual orientation in the performance of the parties' respective duties, responsibilities and obligations under this Agreement.

3.05 **Termination.** This Agreement may be canceled with or without cause by SBBC during the term hereof upon thirty (30) days written notice to the other parties of its desire to terminate this Agreement. In the event of such termination, SBBC shall pay the other party for all services rendered through the effective date of termination.

3.06 **Default.** The parties agree that, in the event that either party is in default of its obligations under this Agreement, the non-defaulting party shall provide to the defaulting

party (30) days written notice to cure the default. However, in the event said default cannot be cured within said thirty (30) day period and the defaulting party is diligently attempting in good faith to cure same, the time period shall be reasonably extended to allow the defaulting party additional cure time. Upon the occurrence of a default that is not cured during the applicable cure period, this Agreement may be terminated by the non-defaulting party upon thirty (30) days notice. This remedy is not intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or future exercise thereof. Nothing in this section shall be construed to preclude termination for convenience pursuant to Section 3.05.

3.07 **Annual Appropriation.** The performance and obligations of SBBC under this Agreement shall be contingent upon an annual budgetary appropriation by its governing body. If SBBC does not allocate funds for the payment of services or products to be provided under this Agreement, this Agreement may be terminated by SBBC at the end of the period for which funds have been allocated. SBBC shall notify the other party at the earliest possible time before such termination. No penalty shall accrue to SBBC in the event this provision is exercised, and SBBC shall not be obligated or liable for any future payments due or any damages as a result of termination under this section.

3.08 **Excess Funds.** Any party receiving funds paid by SBBC under this Agreement agrees to promptly notify SBBC of any funds erroneously received from SBBC upon the discovery of such erroneous payment or overpayment. Any such excess funds shall be refunded to SBBC with interest calculated from the date of the erroneous payment or overpayment. Interest shall be calculated using the interest rate for judgments under Section 55.03, Florida Statutes, applicable at the time the erroneous payment or overpayment was made by SBBC.

3.09 **Public Records.** Each party shall maintain its own respective records and documents associated with this Agreement in accordance with the records retention requirements applicable to public records. Each party shall be responsible for compliance with any public documents request served upon it pursuant to Section 119.07, Florida Statutes, and any resultant award of attorney's fees for non-compliance with that law.

3.10 **Student Records:** Notwithstanding any provision to the contrary within this Agreement, any party contracting with SBBC under this Agreement shall fully comply with the requirements of Section 1002.22, Florida Statutes, or any other state or federal law or regulation regarding the confidentiality of student information and records. Each such party agrees, for itself, its officers, employees, agents, representatives, contractors or subcontractors, to fully indemnify and hold harmless SBBC and its officers and employees for any violation of this section, including, without limitation, defending SBBC and its officers and employees against any complaint, administrative or judicial proceeding, payment of any penalty imposed upon SBBC, or payment of any and all costs, damages, judgments or losses incurred by or imposed upon SBBC arising out of a breach of this covenant by the party, or an officer, employee, agent, representative, contractor, or sub-contractor of the party to the extent that the party or an officer, employee, agent, representative, contractor, or sub-contractor of the party shall either

intentionally or negligently violate the provisions of this section or of Section 1002.22, Florida Statutes. This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.

3.11 **Compliance with Laws.** Each party shall comply with all applicable federal and state laws, codes, rules and regulations in performing its duties, responsibilities and obligations pursuant to this Agreement.

3.12 **Place of Performance.** All obligations of SBBC under the terms of this Agreement are reasonably susceptible of being performed in Broward County, Florida and shall be payable and performable in Broward County, Florida.

3.13 **Governing Law and Venue.** This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Any controversies or legal problems arising out of this Agreement and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Seventeenth Judicial Circuit of Broward County, Florida.

3.14 **Entirety of Agreement.** This document incorporates and includes all prior negotiations, correspondence, conversations, agreements and understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

3.15 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

3.16 **Assignment.** Neither this Agreement or any interest herein may be assigned, transferred or encumbered by any party without the prior written consent of the other party. There shall be no partial assignments of this Agreement including, without limitation, the partial assignment of any right to receive payments from SBBC.

3.17 **Incorporation by Reference.** Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

3.18 **Captions.** The captions, section designations, section numbers, article numbers, titles and headings appearing in this Agreement are inserted only as a matter of convenience, have no substantive meaning, and in no way define, limit, construe or describe the scope or intent of such articles or sections of this Agreement, nor in any way effect this Agreement and shall not be construed to create a conflict with the provisions of this Agreement.

3.19 **Severability.** In the event that any one or more of the sections, paragraphs, sentences, clauses or provisions contained in this Agreement is held by a court of competent jurisdiction to be invalid, illegal, unlawful, unenforceable or void in any respect, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect

as if such invalid, illegal, unlawful, unenforceable or void sections, paragraphs, sentences, clauses or provisions had never been included herein.

3.20 **Preparation of Agreement.** The parties acknowledge that they have sought and obtained whatever competent advice and counsel as was necessary for them to form a full and complete understanding of all rights and obligations herein and that the preparation of this Agreement has been their joint effort. The language agreed to herein expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

3.21 **Amendments.** No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by each party hereto.

3.22 **Waiver.** The parties agree that each requirement, duty and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof. Any party's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement unless the waiver is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.

3.23 **Force Majeure.** Neither party shall be obligated to perform any duty, requirement or obligation under this Agreement if such performance is prevented by fire, hurricane, earthquake, explosion, wars, sabotage, accident, flood, acts of God, strikes, or other labor disputes, riot or civil commotions, or by reason of any other matter or condition beyond the control of either party, and which cannot be overcome by reasonable diligence and without unusual expense ("Force Majeure"). In no event shall a lack of funds on the part of either party be deemed Force Majeure.

3.24 **Survival.** All representations and warranties made herein, indemnification obligations, obligations to reimburse SBBC, obligations to maintain and allow inspection and audit of records and property, obligations to maintain the confidentiality of records, reporting requirements, and obligations to return public funds shall survive the termination of this Agreement.


3.25 **Authority.** Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the date first above written.

FOR SBBC

(Corporate Seal)

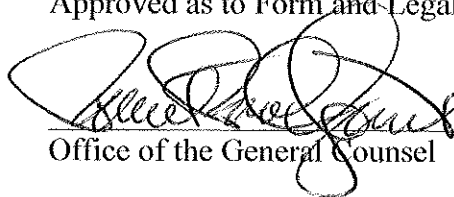
ATTEST:


Robert W. Runcie, Superintendent of
Schools

THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA

By 
Ann Murray, Chair

Approved as to Form and Legal Content:


Office of the General Counsel



FOR TEXAS

(Corporate Seal)

Texas Life Insurance Company

ATTEST:

Paul E. Anderson, Secretary
-or-

By

Steve R. Worley, Vice President, Marketing

Witness

Witness

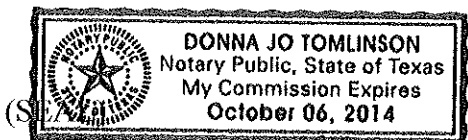
The Following Notarization is Required for Every Agreement Without Regard to Whether the Party Chose to Use a Secretary's Attestation or Two (2) Witnesses.

STATE OF Texas

COUNTY OF McLennan

The foregoing instrument was acknowledged before me this 11th day of September, 2012 by Steve R. Worley, of Texas Life Insurance Company, on behalf of the corporation/agency. He is personally known to me or produced _____ as identification and did/did not first take an oath.

My Commission Expires:



Signature – Notary Public

Donna J. Tomlinson

Printed Name of Notary

October 6, 2014

Notary's Commission No.

TEXASLIFE INSURANCE
COMPANY

COMMISSION SUPPLEMENT
Payroll Specialist 90/20 Commission Schedule

PLAN	POLICY FORM NUMBER	1ST YEAR UP TO TARGET ⁽¹⁾	YEAR 2	YEARS 3 +
PureLife70	PULNG-NI-08			
Simplified Issue		90 ⁽³⁾	20 ⁽²⁾	0
Express Issue		90 ⁽³⁾	20 ⁽²⁾	0
PureLife	PRFNG-NI-07			
	ICC-07-PRFNG-NI-07			
Simplified Issue		90 ⁽³⁾	20 ⁽²⁾	0
Express Issue		90 ⁽³⁾	20 ⁽²⁾	0
PureLife-plus	PRFNG-NI-10			
Simplified Issue		90 ⁽³⁾	20 ⁽²⁾	0
Express Issue		90 ⁽³⁾	20 ⁽²⁾	0
VPL-plus	PWLSEV-NI-05	90	20	0

1. Target is the collected premium on which full first year commissions are paid, and are the amounts published from time to time by Our bulletins.
2. A total commission of 20% is payable on premium collected prior to the end of the second Contract Anniversary Date which is in excess of Target Premium, but not in excess of two times Target Premium.
3. First year commission rate will be reduced by five (5) percentage points when issued to a resident or owner residing in Kentucky.

TEXASLIFE INSURANCE
COMPANY

COMMISSION SUPPLEMENT
Payroll Specialist 95/25 Commission Schedule

PLAN	POLICY FORM NUMBER	1ST YEAR UP TO TARGET ⁽¹⁾	YEAR 2	YEARS 3 +
PureLife ⁷⁰	PULNG-NI-08			
Simplified Issue		95 ⁽³⁾	25 ⁽²⁾	0
Express Issue		95 ⁽³⁾	25 ⁽²⁾	0
PureLife	PRFNG-NI-07 ICC-07-PRFNG-NI-07			
Simplified Issue		95 ⁽³⁾	25 ⁽²⁾	0
Express Issue		95 ⁽³⁾	25 ⁽²⁾	0
PureLife-plus	PRFNG-NI-10			
Simplified Issue		95 ⁽³⁾	25 ⁽²⁾	0
Express Issue		95 ⁽³⁾	25 ⁽²⁾	0
VPL-plus	PWLSEV-NI-05	95	25	0
SOLUTIONS Series	WLOTO-NI-11 ICC11-WLOTO-NI-11 WLSTO-NI-11 ICC11-WLSTO-NI-11	95	25	0

1. Target is the collected premium on which full first year commissions are paid, and are the amounts published from time to time by Our bulletins.
2. A total commission of 25% is payable on premium collected prior to the end of the second Contract Anniversary Date which is in excess of Target Premium, but not in excess of two times Target Premium.
3. First year commission rate will be reduced by five (5) percentage points when issued to a resident or owner residing in Kentucky.

AGREEMENT

THIS AGREEMENT is made and entered into as of this 16th day of October, 2012, by and between

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

(hereinafter referred to as "SBBC"),
a body corporate and political subdivision of the State of Florida,
whose principal place of business is
600 Southeast Third Avenue, Fort Lauderdale, Florida 33301

and

WASHINGTON NATIONAL INSURANCE COMPANY

(hereinafter referred to as "Washington"),
whose principal place of business is
11825 N. Pennsylvania Street
Carmel, Indiana 46032

WHEREAS, SBBC issued a Request for Proposals, identified as RFP 13-010V Voluntary Supplemental Insurance Plans/Programs, dated April 11, 2012, and amended by Addendum Number 1, dated May 4, 2012, and Addendum Number 2, dated May 7, 2012, (hereafter referred to as "RFP") which is incorporated by reference herein, for the purpose of receiving proposals for Voluntary Supplemental Insurance Plans/Programs for SBBC employees; and

WHEREAS, Washington offered a proposal dated May 21, 2012, (hereafter referred to as "Proposal") which is incorporated by reference herein, in response to RFP.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 - RECITALS

1.01 **Recitals.** The parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

ARTICLE 2 – SPECIAL CONDITIONS

2.01 **Term of Agreement.** Unless terminated earlier pursuant to Section 3.05 of this Agreement, the term of this Agreement shall commence on January 1, 2013, and conclude on December 31, 2015. The term of the contract may, by mutual agreement, upon final SBBC approval, be extended for two additional one year periods and, if needed, 180 days beyond the final renewal period.

2.02 **Self Billing.** Washington agrees to accept SBBC's self-billing process without any deviations.

2.03 **Premiums.** The premium rates will only be modified if Washington's premiums are changed for the entire State of Florida block of business.

2.04 **Commission Schedule.** Commissions will be paid using the Commission Schedule, which is more fully described as Attachment A to this Agreement.

2.05 **Marketing.** Washington agrees to only market to SBBC employees the following coverage – Accident and Cancer as more fully described in their proposal.

2.06 **Participation.** Washington agrees to waive all participation requirements for all products and on the accident base plan is offered on a guarantee issue basis.

2.07 **Domestic Partners.** Washington agrees to offer all the products to domestic partners at the same rates offered to SBBC employees.

2.08 **Accident Benefits.** Washington agrees to provide the following benefits:

- Pre-existing only applies to the sickness disability rider, which is a 12/12 pre-existing limitation. Pre-existing does not apply on the base policy

2.09 **Portability / Conversion.** Washington agrees to provide a portability option for all plans offered upon employee termination. An employee and domestic partner can port the policy they are on at the same benefits and at the same rate.

2.10 **Performance Guarantees.** Washington agrees to provide the Performance Standards/Guarantees as outlined in Attachment I to the RFP without deviation. Washington further agrees to provide at a minimum annual reporting and metrics on each of the performance guarantees and understands that SBBC has the right to audit any of the reported metrics.

2.11 **Direct Billing Fees.** Washington agrees there are no cost/fees for direct billing on any product.

2.12 **Section 125.** Washington agrees to offer the Cancer on a pre-tax basis and the Accident on a post-tax basis.

2.13 **Exclusions and Limitations.** Exclusions and Limitations are fully described by each product in their proposal.

2.14 **Cancer / Critical Care Benefits.** Washington agrees to provide the following benefits:

- Positive Diagnosis Test and First Diagnosis Benefits are included under the first occurrence benefit and can be purchased in units of \$1,000 up to \$10,000
- Radiation therapy pays \$250 a day with no lifetime maximum

- Chemotherapy pays if injected by medical personnel is \$250 per day and if self-administered is \$250 per drug, there is no lifetime maximum
- Anesthesia is covered and pays between \$34 to \$1875 depending on the type of surgery
- Anti-nausea is covered up to \$100 per month
- Skin cancer is covered under the cancer preventative care rider with a benefit of \$300 for a skin cancer diagnosis
- Outpatient Blood and Blood Plasma is covered at \$60 per unit
- Skilled Nursing facility benefit that covers \$100 a day if confined to a skilled nursing facility

2.15 **M/WBE.** Washington agrees to take the appropriate steps and implement the use of M/WBE firms for this Agreement.

2.16 **Cancer Target Loss Ratio.** The target loss ratio for the cancer / critical illness product is 65 percent.

2.17 **Inspection of Washington's Records by SBBC.** Washington shall establish and maintain books, records and documents (including electronic storage media) sufficient to reflect all income and expenditures of funds provided by SBBC under this Agreement. All Washington's Records, regardless of the form in which they are kept, shall be open to inspection and subject to audit, inspection, examination, evaluation and/or reproduction, during normal working hours, by SBBC's agent or its authorized representative to permit SBBC to evaluate, analyze and verify the satisfactory performance of the terms and conditions of this Agreement and to evaluate, analyze and verify any and all invoices, billings, payments and/or claims submitted by Washington or any of Washington's payees pursuant to this Agreement. Washington's Records subject to examination shall include, without limitation, those records necessary to evaluate and verify direct and indirect costs (including overhead allocations) as they may apply to costs associated with this Agreement. Washington's Records subject to this section shall include any and all documents pertinent to the evaluation, analysis, verification and reconciliation of any and all expenditures under this Agreement without regard to funding sources.

(a) **Washington's Records Defined.** For the purposes of this Agreement, the term Washington's Records shall include, without limitation, accounting records, payroll time sheets, cancelled payroll checks, W-2 forms, written policies and procedures, computer records, disks and software, videos, photographs, executed subcontracts, subcontract files (including proposals of successful and unsuccessful bidders), original estimates, estimating worksheets, correspondence, change order files (including sufficient supporting documentation and documentation covering negotiated settlements), and any other supporting documents that would substantiate, reconcile or refute any charges and/or expenditures related to this Agreement.

(b) **Duration of Right to Inspect.** For the purpose of such audits, inspections, examinations, evaluations and/or reproductions, SBBC's agent or authorized representative shall

have access to Washington's Records from the effective date of this Agreement, for the duration of the term of this Agreement, and until the later of five (5) years after the termination of this Agreement or five (5) years after the date of final payment by SBBC to Washington pursuant to this Agreement.

(c) Notice of Inspection. SBBC's agent or its authorized representative shall provide Washington reasonable advance notice (not to exceed two (2) weeks) of any intended audit, inspection, examination, evaluation and or reproduction.

(d) Audit Site Conditions. SBBC's agent or its authorized representative shall have access to Washington's facilities and to any and all records related to this Agreement, and shall be provided adequate and appropriate work space in order to exercise the rights permitted under this section.

(e) Failure to Permit Inspection. Failure by Washington to permit audit, inspection, examination, evaluation and/or reproduction as permitted under this Section shall constitute grounds for termination of this Agreement by SBBC for cause and shall be grounds for the denial of some or all of any Washington's claims for payment by SBBC.

(f) Overcharges and Unauthorized Charges. If an audit conducted in accordance with this Section discloses overcharges or unauthorized charges to SBBC by Washington in excess of two percent (2%) of the total billings under this Agreement, the actual cost of SBBC's audit shall be paid by Washington. If the audit discloses billings or charges to which Washington is not contractually entitled, Washington shall pay said sum to SBBC within twenty (20) days of receipt of written demand under otherwise agreed to in writing by both parties.

(g) Inspection of Subcontractor's Records. Washington shall require any and all subcontractors, insurance agents and material suppliers (hereafter referred to as "Payees") providing services or goods with regard to this Agreement to comply with the requirements of this section by insertion of such requirements in any written subcontract. Failure by Washington to include such requirements in any subcontract shall constitute grounds for termination of this Agreement by SBBC for cause and shall be grounds for the exclusion of some or all of any Payee's costs from amounts payable by SBBC to Washington pursuant to this Agreement and such excluded costs shall become the liability of Washington.

(h) Inspector General Audits. Washington shall comply and cooperate immediately with any inspections, reviews, investigations, or audits deemed necessary by the Florida Office of the Inspector General or by any other state or federal officials.

2.18 Notice. When any of the parties desire to give notice to the other, such notice must be in writing, sent by U.S. Mail, postage prepaid, addressed to the party for whom it is intended at the place last specified; the place for giving notice shall remain such until it is changed by written notice in compliance with the provisions of this paragraph. For the present, the Parties designate the following as the respective places for giving notice:

To SBBC: Superintendent of Schools
The School Board of Broward County, Florida
600 Southeast Third Avenue
Fort Lauderdale, Florida 33301

With a Copy to: Executive Director of Benefits & EEO Compliance
The School Board of Broward County, Florida
7770 W. Oakland Park Boulevard, 1st Floor
Sunrise, Florida 33351

To Washington: Washington National Insurance Company
11825 N. Pennsylvania Street
Carmel, Indiana 46032

With a Copy to: Performance Matters Associates
8150 N. Central Expressway, Suite 1300
Dallas, Texas 75206

2.19 **Background Screening:** Washington agrees to comply with all requirements of Sections 1012.32 and 1012.465, Florida Statutes, and all of its personnel who (1) are to be permitted access to school grounds when students are present, (2) will have direct contact with students, or (3) have access or control of school funds, will successfully complete the background screening required by the referenced statutes and meet the standards established by the statutes. This background screening will be conducted by SBBC in advance of Washington or its personnel providing any services under the conditions described in the previous sentence. Washington shall bear the cost of acquiring the background screening required by Section 1012.32, Florida Statutes, and any fee imposed by the Florida Department of Law Enforcement to maintain the fingerprints provided with respect to Washington and its personnel. The parties agree that the failure of Washington to perform any of the duties described in this section shall constitute a material breach of this Agreement entitling SBBC to terminate immediately with no further responsibilities or duties to perform under this Agreement. Washington agrees to indemnify and hold harmless SBBC, its officers and employees from any liability in the form of physical or mental injury, death or property damage resulting in Washington's failure to comply with the requirements of this Section or with Sections 1012.32 and 1012.465, Florida Statutes.

2.20 **Indemnification.** This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.

A. By SBBC: SBBC agrees to be fully responsible up to the limits of Section 768.28, Florida Statutes, for its acts of negligence, or its agent's acts of negligence when acting within the scope of their employment and agrees to be liable for any damages resulting from said negligence.

B. By Washington: Washington agrees to indemnify, hold harmless and defend SBBC, its agents, servants and employees from any and all claims, judgments, costs, and expenses including, but not limited to, reasonable attorney's fees, reasonable investigative and discovery costs, court costs and all other sums which SBBC, its agents, servants and employees may pay or become obligated to pay on account of any, all and every claim or demand, or assertion of liability, or any claim or action founded thereon, arising or alleged to have arisen out of the products, goods or services furnished by Washington, its agents, servants or employees; the equipment of Washington, its agents, servants or employees while such equipment is on premises owned or controlled by SBBC; or the negligence of Washington or the negligence of Washington's agents when acting within the scope of their employment, whether such claims, judgments, costs and expenses be for damages, damage to property including SBBC's property, and injury or death of any person whether employed by Washington, SBBC or otherwise.

ARTICLE 3 – GENERAL CONDITIONS

3.01 **No Waiver of Sovereign Immunity.** Nothing herein is intended to serve as a waiver of sovereign immunity by any agency or political subdivision to which sovereign immunity may be applicable or of any rights or limits to liability existing under Section 768.28, Florida Statutes. This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.

3.02 **No Third Party Beneficiaries.** The parties expressly acknowledge that it is not their intent to create or confer any rights or obligations in or upon any third person or entity under this Agreement. None of the parties intend to directly or substantially benefit a third party by this Agreement. The parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against any of the parties based upon this Agreement. Nothing herein shall be construed as consent by an agency or political subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

3.03 **Independent Contractor.** The parties to this agreement shall at all times be acting in the capacity of independent contractors and not as an officer, employee or agent of one another. Neither party or its respective agents, employees, subcontractors or assignees shall represent to others that it has the authority to bind the other party unless specifically authorized in writing to do so. No right to SBBC retirement, leave benefits or any other benefits of SBBC employees shall exist as a result of the performance of any duties or responsibilities under this Agreement. SBBC shall not be responsible for social security, withholding taxes, contributions to unemployment compensation funds or insurance for the other party or the other party's officers, employees, agents, subcontractors or assignees.

3.04 **Equal Opportunity Provision.** The parties agree that no person shall be subjected to discrimination because of age, race, color, disability, gender identity, gender expression marital status, national origin, religion, sex or sexual orientation in the performance of the parties' respective duties, responsibilities and obligations under this Agreement.

3.05 **Termination.** This Agreement may be canceled with or without cause by SBBC during the term hereof upon thirty (30) days written notice to the other parties of its desire to terminate this Agreement. In the event of such termination, SBBC shall pay the other party for all services rendered through the effective date of termination.

3.06 **Default.** The parties agree that, in the event that either party is in default of its obligations under this Agreement, the non-defaulting party shall provide to the defaulting party (30) days written notice to cure the default. However, in the event said default cannot be cured within said thirty (30) day period and the defaulting party is diligently attempting in good faith to cure same, the time period shall be reasonably extended to allow the defaulting party additional cure time. Upon the occurrence of a default that is not cured during the applicable cure period, this Agreement may be terminated by the non-defaulting party upon thirty (30) days notice. This remedy is not intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or future exercise thereof. Nothing in this section shall be construed to preclude termination for convenience pursuant to Section 3.05.

3.07 **Annual Appropriation.** The performance and obligations of SBBC under this Agreement shall be contingent upon an annual budgetary appropriation by its governing body. If SBBC does not allocate funds for the payment of services or products to be provided under this Agreement, this Agreement may be terminated by SBBC at the end of the period for which funds have been allocated. SBBC shall notify the other party at the earliest possible time before such termination. No penalty shall accrue to SBBC in the event this provision is exercised, and SBBC shall not be obligated or liable for any future payments due or any damages as a result of termination under this section.

3.08 **Excess Funds.** Any party receiving funds paid by SBBC under this Agreement agrees to promptly notify SBBC of any funds erroneously received from SBBC upon the discovery of such erroneous payment or overpayment. Any such excess funds shall be refunded to SBBC with interest calculated from the date of the erroneous payment or overpayment. Interest shall be calculated using the interest rate for judgments under Section 55.03, Florida Statutes, applicable at the time the erroneous payment or overpayment was made by SBBC.

3.09 **Public Records.** Each party shall maintain its own respective records and documents associated with this Agreement in accordance with the records retention requirements applicable to public records. Each party shall be responsible for compliance with any public documents request served upon it pursuant to Section 119.07, Florida Statutes, and any resultant award of attorney's fees for non-compliance with that law.

3.10 **Student Records:** Notwithstanding any provision to the contrary within this Agreement, any party contracting with SBBC under this Agreement shall fully comply with the requirements of Section 1002.22, Florida Statutes, or any other state or federal law or regulation regarding the confidentiality of student information and records. Each such party agrees, for itself, its officers, employees, agents, representatives, contractors or subcontractors, to fully indemnify and hold harmless SBBC and its officers and employees for any violation of this

section, including, without limitation, defending SBBC and its officers and employees against any complaint, administrative or judicial proceeding, payment of any penalty imposed upon SBBC, or payment of any and all costs, damages, judgments or losses incurred by or imposed upon SBBC arising out of a breach of this covenant by the party, or an officer, employee, agent, representative, contractor, or sub-contractor of the party to the extent that the party or an officer, employee, agent, representative, contractor, or sub-contractor of the party shall either intentionally or negligently violate the provisions of this section or of Section 1002.22, Florida Statutes. This section shall survive the termination of all performance or obligations under this Agreement and shall be fully binding until such time as any proceeding brought on account of this Agreement is barred by any applicable statute of limitations.

3.11 **Compliance with Laws.** Each party shall comply with all applicable federal and state laws, codes, rules and regulations in performing its duties, responsibilities and obligations pursuant to this Agreement.

3.12 **Place of Performance.** All obligations of SBBC under the terms of this Agreement are reasonably susceptible of being performed in Broward County, Florida and shall be payable and performable in Broward County, Florida.

3.13 **Governing Law and Venue.** This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Any controversies or legal problems arising out of this Agreement and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Seventeenth Judicial Circuit of Broward County, Florida.

3.14 **Entirety of Agreement.** This document incorporates and includes all prior negotiations, correspondence, conversations, agreements and understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

3.15 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

3.16 **Assignment.** Neither this Agreement or any interest herein may be assigned, transferred or encumbered by any party without the prior written consent of the other party. There shall be no partial assignments of this Agreement including, without limitation, the partial assignment of any right to receive payments from SBBC.

3.17 **Incorporation by Reference.** Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

3.18 **Captions.** The captions, section designations, section numbers, article numbers, titles and headings appearing in this Agreement are inserted only as a matter of convenience, have no substantive meaning, and in no way define, limit, construe or describe the scope or intent of such articles or sections of this Agreement, nor in any way effect this Agreement and shall not be construed to create a conflict with the provisions of this Agreement.

3.19 **Severability**. In the event that any one or more of the sections, paragraphs, sentences, clauses or provisions contained in this Agreement is held by a court of competent jurisdiction to be invalid, illegal, unlawful, unenforceable or void in any respect, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect as if such invalid, illegal, unlawful, unenforceable or void sections, paragraphs, sentences, clauses or provisions had never been included herein.

3.20 **Preparation of Agreement**. The parties acknowledge that they have sought and obtained whatever competent advice and counsel as was necessary for them to form a full and complete understanding of all rights and obligations herein and that the preparation of this Agreement has been their joint effort. The language agreed to herein expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

3.21 **Amendments**. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by each party hereto.

3.22 **Waiver**. The parties agree that each requirement, duty and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof. Any party's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement unless the waiver is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.

3.23 **Force Majeure**. Neither party shall be obligated to perform any duty, requirement or obligation under this Agreement if such performance is prevented by fire, hurricane, earthquake, explosion, wars, sabotage, accident, flood, acts of God, strikes, or other labor disputes, riot or civil commotions, or by reason of any other matter or condition beyond the control of either party, and which cannot be overcome by reasonable diligence and without unusual expense ("Force Majeure"). In no event shall a lack of funds on the part of either party be deemed Force Majeure.

3.24 **Survival**. All representations and warranties made herein, indemnification obligations, obligations to reimburse SBBC, obligations to maintain and allow inspection and audit of records and property, obligations to maintain the confidentiality of records, reporting requirements, and obligations to return public funds shall survive the termination of this Agreement.

3.25 **Authority**. Each person signing this Agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the date first above written.

FOR SBBC

(Corporate Seal)

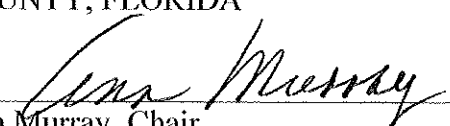
THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA

ATTEST:



Robert W. Runcie, Superintendent of
Schools

By


Ann Murray, Chair

Approved as to Form and Legal Content:

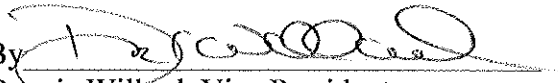

Office of the General Counsel

FOR WASHINGTON

(Corporate Seal)

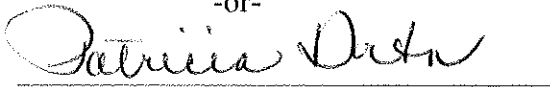
ATTEST:

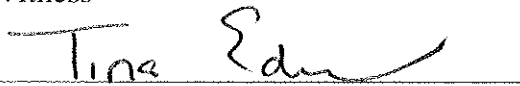
Washington National Insurance Company

By 
Dennis Willard, Vice President
Worksite Individual Services

_____, Secretary

-or-


Witness


Witness

The Following Notarization is Required for Every Agreement Without Regard to Whether the Party Chose to Use a Secretary's Attestation or Two (2) Witnesses.

STATE OF Indiana

COUNTY OF Hamilton

The foregoing instrument was acknowledged before me this 31st day of August, 2012 by Dennis Willard, of Washington National Insurance Company, on behalf of the corporation/agency. He is personally known to me or produced _____ as identification and did/did not first take an oath.

My Commission Expires:

5-12-2019

(SEAL)


Signature – Notary Public

Mary Ann Ray
Printed Name of Notary

626431
Notary's Commission No.

CN-Solutions for Florida only

3/21/2012

Solutions Cancer				Conseco Health Insurance Co			
	Base Plans (B, C, D only)* and Alternative Care			ROP/CV**			
	FY Rate	Yrs 2-10	Yrs 11 +	FY Rate	RY Rate		
Agent	33.250%	4.000%	2.000%	38.250%	0.000%		blended 1st yr
Pacesetter	38.250%	4.000%	2.000%	43.250%	0.000%		base renewal
DM	39.250%	6.000%	3.000%	44.250%	0.000%		35.125%
Peak Perf	45.250%	6.000%	3.000%	50.250%	0.000%		40.125%
RM	46.250%	8.000%	4.000%	51.250%	0.000%		41.125%
State Mgr	53.250%	10.000%	5.000%	58.250%	0.000%		47.125%
							48.125%
							55.125%
							10.000%

Overrides for each level

Agent			
Pacesetter	5.000%	0.000%	0.000%
DM	1.000%	2.000%	1.000%
Peak Perf	6.000%	0.000%	0.000%
RM	1.000%	2.000%	1.000%
State Mgr	7.000%	2.000%	1.000%

	5.000%	0.000%
	1.000%	0.000%
	6.000%	0.000%
	1.000%	0.000%
	7.000%	0.000%

	5.00%	0.0000%
	1.00%	2.0000%
	6.00%	0.0000%
	1.00%	2.0000%
	7.00%	2.0000%

WMD Commission Grid
As of 5/1/2012
Shown to State Manager Level

Hierarchy Levels

Agent

override

Pacesetter

override

District Mgr

override

Peak Performer

override

Regional Mgr

override

State Mgr

CIC Accident - Standard States - Non Std are KS, WV, VT, WA										Level 1 - Blended	Level 2 - Blended
AD&D Lvl 1	AD&D Lvl 2	Pub Str Lvl 2	ROPICV	Ren Yrs 2-8	Ren Yrs 9+						1st Year
27.000%	30.000%	27.000%	27.000%	2.000%	2.000%						31.500%
1.000%	2.000%	1.000%	1.000%	0.000%	0.000%						3.000%
28.000%	32.000%	28.000%	28.000%	2.000%	2.000%						34.500%
2.000%	3.000%	2.000%	2.000%	1.000%	1.000%						2.500%
30.000%	35.000%	30.000%	30.000%	3.000%	3.000%						37.000%
2.000%	3.000%	2.000%	2.000%	0.000%	0.000%						3.300%
32.000%	38.000%	32.000%	32.000%	3.000%	3.000%						40.300%
1.000%	2.000%	1.000%	1.000%	1.000%	1.000%						2.200%
33.000%	40.000%	33.000%	33.000%	4.000%	4.000%						42.500%
3.000%	5.000%	3.000%	3.000%	1.000%	1.000%						5.600%
36.000%	45.000%	36.000%	36.000%	5.000%	5.000%						48.100%

CN-Solutions for Florida only
3/21/2012

Solutions Cancer				Conseco Health Insurance Co			
Base Plans (B, C, D only)* and Alternative Care				ROP/CV**			
	FY Rate	Yrs 2-10	Yrs 11 +		FY Rate	RY Rate	
Agent	33.250%	4.000%	2.000%		33.250%	0.000%	blended 1st yr
Pacesetter	33.250%	4.000%	2.000%		33.250%	0.000%	base renewal
DM	39.250%	6.000%	3.000%		39.250%	0.000%	35.125%
Peak Perf	45.250%	6.000%	3.000%		45.250%	0.000%	40.125%
RM	45.250%	8.000%	4.000%		45.250%	0.000%	41.125%
State Mgr	55.250%	10.000%	5.000%		55.250%	0.000%	47.125%
							48.125%
							55.125%
							10.000%

Overrides for each level

Agent			
Pacesetter	5.000%	0.000%	0.000%
DM	1.000%	2.000%	1.000%
Peak Perf	6.000%	0.000%	0.000%
RM	1.000%	2.000%	1.000%
State Mgr	7.000%	2.000%	1.000%

	5.000%	0.000%
	1.000%	0.000%
	6.000%	0.000%
	1.000%	0.000%
	7.000%	0.000%

	5.00%	0.000%
	1.00%	2.000%
	6.00%	0.000%
	1.00%	2.000%
	7.00%	2.000%

Attachment A - Page 2

WMD Commission Grid
As of 5/1/2012
Shown to State Manager Level

Hierarchy Levels	CIC Accident - Standard States - Non Std are KS, WV, VT, WA										Level 1 - Blended	Level 2 - Blended
	AD&D LM 1	AD&D LM 2	Pub St LM 2	ROP/ICV	Ren Yrs 2-8	Ren Yrs 9+	1st Year	1st Year	1st Year	1st Year	1st Year	1st Year
Agent	27.000%	30.000%	27.000%	27.000%	2.000%	2.000%	2.000%	30.000%	30.000%	31.500%		
override	1.000%	2.000%	1.000%	1.000%	0.000%	0.000%	0.000%	2.500%	2.500%	3.000%		
Pacesetter	28.000%	32.000%	28.000%	28.000%	2.000%	2.000%	2.000%	32.500%	32.500%	34.500%		
override	2.000%	3.000%	2.000%	2.000%	1.000%	1.000%	1.000%	2.000%	2.000%	2.500%		
District Mgr	30.000%	35.000%	30.000%	30.000%	3.000%	3.000%	3.000%	34.500%	34.500%	37.000%		
override	2.000%	3.000%	2.000%	2.000%	0.000%	0.000%	0.000%	2.800%	2.800%	3.300%		
Peak Performer	32.000%	38.000%	32.000%	32.000%	3.000%	3.000%	3.000%	37.300%	37.300%	40.300%		
override	1.000%	2.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.700%	1.700%	2.200%		
Regional Mgr	33.000%	40.000%	33.000%	33.000%	4.000%	4.000%	4.000%	39.000%	39.000%	42.500%		
override	3.000%	5.000%	3.000%	3.000%	1.000%	1.000%	1.000%	4.500%	4.500%	5.600%		
State Mgr	36.000%	45.000%	36.000%	36.000%	5.000%	5.000%	5.000%	43.500%	43.500%	48.100%		

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE MINUTES

Meeting Date: July 18, 2012

Call to Order: 10:00 a.m.

Roll Call: Voting Members

John D. Abraham	Representative, Education Support Professionals (BTU-ESP)
Amanda Bailey	Director, Employee Relations
Michael Benner	Financial Manager, Broward Teachers Union (BTU)
Robert Carlough	BTU-Technical Support Professional
Eric Chisem	Designee for Jeff Moquin, Task Assigned Chief of Staff
Dorothy Davis	Designee for Gracie Diaz, Chief Human Resources Officer
Glynda Linton	Federation of Public Employees
Lisa Maxwell	Executive Director, Broward Principals and Assistants Association (BPAA)
Aston Rowe	Designee for Becky McMahan, Director, Budget
Dale Spear	President, Education Support & Management Association of Broward, Inc. (ESMAB)
Robert Spence	Broward County Police Benevolent Association (BCPBA)
Marilyn Swank	Federation of Public Employees (FOPE)

Non-Voting Member

Dildra Martin-Ogburn, Ph.D. Executive Director, Benefits & EEO Compliance

Technical Support Staff

Robert Paul Vignola, Esq.	Deputy General Counsel
Bill Harris, Director	Director, Supply Management & Logistics
Carol Barker	Manager, Supply Management & Logistics
Marcy Houser	M/WBE Specialist III
Michelle Johnson	Administrator IV, Benefits
Vicki Moten	Benefits Analyst, Benefits

Consultants

Jeff Angello	Area President, Gallagher Benefit Services
Barbara Crowe	Area Vice President, Gallagher Benefit Services
Glen Volk	Area V.P., Actuarial Services, Gallagher Benefit Services

Absent:

Gracie Diaz	Chief Human Resources Officer
Jeffrey Moquin	Task Assigned Chief of Staff
Dan Reynolds	President, Federation of Public Employees
Camille Ferguson	Representative, Confidential Office Personnel Association (COPA)

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE MINUTES

Item: Approval of June 27, 2012 minutes

Motion: Glynda Linton moved to approve the June 27, 2012 minutes. Dale Spear seconded the motion.
Passed: Unanimously

Item: Reject Liberty Mutual proposal

Motion: Robert Spence moved to reject the Liberty Mutual proposal based on the grounds set forth in the Executive Summary. John Abraham seconded the motion.
Passed: Unanimously

Item: Reject the Kanawha Insurance Company proposal

Motion: Robert Spence moved to reject the Kanawha proposal based upon the grounds set forth in the Executive Summary. Eric Chisem seconded the motion.
Passed: Unanimously

Item: Reject AFLAC – McKinley proposal

Motion: Robert Spence moved to reject the AFLAC proposal – McKinley based upon the grounds set forth in the Executive Summary. Dale Spear seconded the motion.
Passed: Unanimously

Item: Reject the AFLAC –Willis proposal

Motion: Robert Spence moved to reject the AFLAC – Willis proposal based upon the grounds set forth in the Executive Summary. Aston Rowe seconded the motion.
Passed: Unanimously

Item: Reject ARAG Insurance proposal

Motion: Robert Spence moved to reject the ARAG Insurance proposal based upon the grounds set forth in the Executive Summary. Marilyn Swank seconded the motion.
Passed: Unanimously

Item: Reject Colonial Life & Accident Insurance Company proposal

Motion: John Abraham moved to reject the Colonial Life & Accident Insurance proposal due an inappropriate response to section to section 4.2.5. Eric Chisem seconded the motion.
Passed: Unanimously

Item: Reject the MetLife Resources proposal

Motion: Dale Spear moved to reject the MetLife Resources proposal due to not meeting the minimum eligibility requirements and providing the required signatures in section 1.0. Marilyn Swank seconded the motion.
Passed: Unanimously

Item: Reject the Travelers Insurance proposal

Motion: Eric Chisem moved to reject the Travelers Insurance proposal due to not meeting the minimum eligibility criteria. Glynda Lynton seconded the motion.
Passed: Unanimously

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE MINUTES

Item: Reject the Trustmark Insurance Company proposal

Motion: John Abrahams moved to reject the Trustmark Insurance Company proposal due to failure to comply with the minimum eligibility requirements in section 4.2.5. Eric Chisem seconded the motion.

Passed: Unanimously

Item: Reject the US Legal proposal

Motion: John Abraham moved to reject the US Legal proposal as being nonresponsive. Eric Chisem seconded the motion.

Passed: Unanimously

Item: Negotiate with the carriers who bid on accident coverage

Motion: Dorothy Davis moved to proceed with negotiations with the three carriers who bid on accident coverage. Dale spear seconded the motion.

Passed: Unanimously

Item: Negotiate with a single carrier for all lines offered

Motion: Dale Spears moved to negotiate with the carriers for all lines of coverage. Dorothy Davis seconded the motion.

Passed: Unanimously

Item: Recess

Motion: Glenda Lynton moved to recess until tomorrow, July 19, 2012 at 10:00 AM. Dale Spear seconded the motion.

Passed: Unanimously

End of Day 1

Adjourned: 4:48PM

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE MINUTES

Meeting Date: July 19, 2012

Call to Order: 10:00 a.m.

Roll Call: Voting Members

John D. Abraham	Representative, Education Support Professionals (BTU-ESP)
Amanda Bailey	Director, Employee Relations
Michael Benner	Financial Manager, Broward Teachers Union (BTU)
Robert Carlough	BTU-Technical Support Professional

Eric Chisem	Designee for Jeff Moquin, Task Assigned Chief of Staff
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Dorothy Davis	Designee for Gracie Diaz, Chief Human Resources Officer
Lisa Maxwell	Executive Director, Broward Principals and Assistants Association (BPAA)

Carol Nicome-Brady	FPE
Aston Rowe	Designee for Becky McMahan, Director, Budget
Dale Spear	President, Education Support & Management Association of Broward, Inc. (ESMAB)
Marilyn Swank	Federation of Public Employees (FOPE)

Non-Voting Member

Dildra Martin-Ogburn, Ph.D. Executive Director, Benefits & EEO Compliance

Technical Support Staff

Robert Paul Vignola, Esq.	Deputy General Counsel
Carol Barker	Manager, Supply Management & Logistics
Chuck High	Purchasing Agent IV
Marcy Houser	Coordinator, M/WBE
Michelle Johnson	Administrator IV, Benefits
Vicki Moten	Benefits Analyst, Benefits

Consultants

Jeff Angello	Area President, Gallagher Benefit Services
Barbara Crowe	Area Vice President, Gallagher Benefit Services

Absent:	Gracie Diaz	Chief Human Resources Officer
	Camille Ferguson	Representative, Confidential Office Personnel Association (COPA)
	Glynda Linton	Federation of Public Employees
	Jeffrey Moquin	Task Assigned Chief of Staff
	Dan Reynolds	President, Federation of Public Employees
	Robert Spence	Broward County Police Benevolent Association (BCPBA)

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE MINUTES

Item: Recommend AIG

Motion: Eric Chisem moved to recommend AIG for the accident, cancer, critical illness, hospital indemnity and universal life product lines based upon successful negotiations. Dale Spear seconded the motion.

Discussion: The Committee decided it was best to recommend individual product lines by company rather than collectively recommending all product lines offered by the company in one motion. The above motion for AIG was then withdrawn.

Item: Award AIG accident coverage

Motion: Eric Chisem moved to recommend AIG for accident coverage based upon successful negotiations. Aston Rowe seconded the motion.

Passed: Unanimously

Item: Award AIG hospital indemnity coverage

Motion: Eric Chisem moved to recommend AIG for hospital indemnity coverage based upon successful negotiations. Marilyn Swank seconded the motion.

Failed: 1 for; 10 against

Item: Declare an impasse with AIG for hospital indemnity coverage

Motion: Eric Chisem moved to declare an impasse on the hospital indemnity coverage offered by AIG. Marilyn Swank seconded the motion.

Passed: Unanimously

Item: Award AIG Universal Life coverage

Motion: Eric Chisem moved to recommend AIG for universal life coverage based upon successful negotiations. Aston Rowe seconded the motion.

Passed: 9 for; 2 against

Item: Recommend all product lines offered by Allstate in one motion

Motion: Marilyn Swank moved to recommend Allstate in all product lines offered in one motion rather than in separate motions by product line. Eric Chisem seconded the motion.

Passed: Unanimously

Item: Award Allstate Accident, Cancer, Critical Illness, Hospital Indemnity and Universal Life

Motion: Eric Chisem moved to recommend Allstate for the accident, cancer, critical illness, hospital indemnity and universal life product lines based upon successful negotiations. Marilyn Swank seconded the motion.

Passed: Unanimously

Item: Award MassMutual Long Term Care

Motion: Eric Chisem moved to recommend MassMutual for long term care based upon successful negotiations. Dale Spear seconded the motion.

Passed: Unanimously

Item: Award Texas Life permanent whole life

Motion: Eric Chisem moved to recommend Texas Life for permanent whole life coverage based upon successful negotiations. Amanda Bailey seconded the motion.

Passed: Unanimously

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE MINUTES

Item: Recommend all product lines offered by Washington National in one motion

Motion: Dale Spear moved to recommend Washington National in all product lines offered in one motion rather than in separate motions by product line. Dorothy Davis seconded the motion.

Passed: Unanimously

Item: Award Washington National accident, cancer and critical illness

Motion: Eric Chisem moved to recommend Washington National for accident, cancer and critical illness product lines based upon successful negotiations. Aston Rowe seconded the motion.

Passed: Unanimously

Item: Adjourn

Motion: Dale Spear moved to adjourn the meeting. Dorothy Davis seconded the motion.

Passed: Unanimously

Adjourned: 2:20PM

The School Board of Broward County, Florida
Supply Management & Logistics Department

RFP No.: <u>13-010V</u>	Board Meeting: <u>OCTOBER 16, 2012</u>
Description: <u>VOLUNTARY SUPPLEMENTAL INSURANCE</u>	Notified: <u>481</u> Downloaded: <u>44</u>
<u>PLANS/PROGRAMS TERM CONTRACT</u>	RFP Rec'd: <u>14</u> No Bids: <u>3</u>
For: <u>BENEFITS DEPARTMENT</u>	RFP Opening: <u>MAY 17, 2012</u>
(School/Department)	
Fund: <u>TO BE PAID BY EMPLOYEE</u>	Advertised Date: <u>APRIL 11, 2012</u>

POSTING OF RFP RECOMMENDATION/TABULATION: RFP Recommendations and Tabulations will be posted in the Supply Management & Logistics Department and www.Demandstar.com on SEPTEMBER 19, 2012 @ 3:00 PM, and will remain posted for 72 hours. Any person who is adversely affected by the decision or intended decision shall file a notice of protest, in writing, within 72 hours after the posting of the notice of decision or intended decision. The formal written protest shall be filed within ten (10) days after the date the notice of protest is filed. Failure to file a notice of protest or failure to file a formal written protest shall constitute a waiver of proceedings under this chapter. Section 120.57(3)(b), Florida Statutes, states that "The formal written protest shall state with particularity the facts and law upon which the protest is based." Saturdays, Sundays, state holidays and days during which the school district administration is closed shall be excluded in the computation of the 72-hour time period provided. Filings shall be at the office of the Director of Supply Management & Logistics Department, 7720 West Oakland Park Boulevard, Suite 323, Sunrise, Florida 33351. Any person who files an action protesting an intended decision shall post with the School Board, at the time of filing the formal written protest, a bond, payable to The School Board of Broward County, Florida, (SBBC), in an amount equal to one percent (1%) of the estimated value of the contract. Failure to post the bond required by SBBC Policy 3320, Part VIII, Purchasing Policies, Section N, within the time allowed for filing a bond shall constitute a waiver of the right to protest.

THIRD REVISED RECOMMENDATION/TABULATION

BASED UPON THE RECOMMENDATION OF THE SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE (SIAC), IT IS RECOMMENDED THAT THE FOLLOWING LISTED PROPOSERS BE RECOMMENDED FOR AWARD FOR VOLUNTARY SUPPLEMENTAL INSURANCE PLANS/PROGRAMS:

COVERAGE

ACCIDENT PLAN

CANCER/CRITICAL ILLNESS

VOLUNTARY PERMANENT LIFE

VENDOR

WASHINGTON NATIONAL INSURANCE COMPANY

WASHINGTON NATIONAL INSURANCE COMPANY

TEXAS LIFE INSURANCE COMPANY

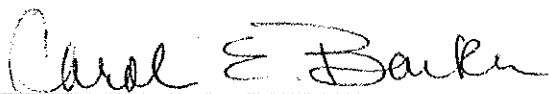
CONTRACT PERIOD: JANUARY 1, 2013 THROUGH DECEMBER 31, 2015

NO ACCEPTABLE PROPOSALS WERE RECEIVED FOR AUTO/HOMEOWNERS, GROUP UNIVERSAL LIFE, HOSPITAL INDEMNITY/INTENSIVE CARE, LONG-TERM CARE AND PRE-PAID LEGAL. ITEMS WILL NOT BE REBID.

NO PROPOSALS WERE RECEIVED FOR PET INSURANCE. ITEM WILL NOT BE REBID.

ADDITIONALLY, IT IS RECOMMENDED THAT PROPOSALS RECEIVED FROM THE PROPOSERS LISTED ON THE ATTACHED PROPOSAL REJECTION SHEET NOT BE CONSIDERED FOR THE REASONS STATED.

By: _____



(Purchasing Agent)

Date: 9/18/12

The School Board of Broward County, Florida, prohibits any policy or procedure which results in discrimination on the basis of age, color, disability, gender expression, national origin, marital status, race, religion, sex or sexual orientation. Individuals who wish to file a discrimination complaint, may call the Executive Director, Benefits & EEO Compliance at 754-321-2150 or Teletype Machine (TTY) at 754-321-2158.

Individuals with disabilities requesting accommodations under the Americans with Disabilities Act (ADA) may call the Equal Educational Opportunities (EEO) at 754-321-2150 or Teletype Machine (TTY) at 754-321-2158.

RFP 13-010V
Voluntary Supplemental Insurance Plans/Programs
Revised Proposal Rejection Sheet

The Superintendent's Insurance Advisory Committee (SIAC) made a motion, seconded and passed that the following Proposals are non-responsive and, therefore, will not be considered for recommendation of award.

Reject as non-responsive the Proposal from Aflac Group, the marketing name for Continental American Insurance Company (CAIC), a wholly-owned subsidiary of Aflac Incorporated - McKinley; Aflac Group underwritten by Continental American Insurance Company (CAIC) a wholly-owned subsidiary of Aflac Incorporated - Willis; ARAG Insurance Company; Colonial Life & Accident Insurance Company; MetLife Resources; Travelers and Trustmark Insurance Company. The Proposal failed to comply with **Section 4.2, Minimum Eligibility, paragraph 4.2.5**, which states that "Proposer must agree to share in the cost of providing one full-time SBBC employee to administer the Voluntary Supplemental Insurance, including benefits, office equipment, supplies, travel and professional dues. The cost of \$80,000 per year will be billed to the Awardee(s) on an equal basis the first year and on a percentage of the employee participation as determined by the enrollees on the last month of the preceding contract year thereafter that this contract is in effect." This Proposer failed to unconditionally agree with 4.2.5., which was a requirement to be to be further evaluated and considered for award.

Reject Proposal from AIG Benefit Solutions upon the declaration of an impasse. Contrary to its certification in Section 1.0 of its proposal, AIG subsequently stated that its Proposal was non-binding. Proposer also subsequently receded from contractual terms agreed upon during negotiations. In addition, mutually agreeable negotiations could not be reached with Proposer due to: Proposer subsequently sought to modify provisions in Attachment J, Business Associate Agreement which it had previously agreed to in Section 1.0 of its proposal; Proposer subsequently receded from its earlier negotiated agreement to administer the negotiated benefit changes (i.e., initial doctor office visit, income rider, wellness benefit); Proposer subsequently receded from its earlier acceptance of the Performance Guarantees without deviations; Proposer subsequently refused to comply with the Assignment provision it previously agreed to through Section 1.0 of its proposal; and Proposer wanted SBBC to sign a master application and employer agreement which contained terms and conditions that were in conflict with the RFP and the Agreement contained within the RFP.

Revised Proposal Rejection Sheet

Page 2

Reject Proposal from Allstate Benefits upon the declaration of an impasse. Proposer subsequently receded from terms agreed upon during negotiations. Mutually agreeable negotiations could not be reached with Proposer due to: Proposer would not agree to the 36-month rate guarantee it proposed in its Proposal; Proposer would not agree to the Inspection of Records specified in **Attachment K – Sample Agreement Revised** of the RFP which it had previously agreed to in its response to Section 1.0 of the RFP; Proposer would not agree to the Excess Funds provision which it had previously agreed to in its response to Section 1.0 of the RFP; Proposer required SBBC to sign a group account information form which would conflict with Section 7.14 of the RFP entitled "Priority of Documents."

Reject as non-responsive the Proposal from Kanawha Insurance Company (Humana) for failure to comply with Section 4.2, **Minimum Eligibility**, paragraph 4.2.1, which provides that "Proposer must agree to the language in Section 7.1, **Indemnification**." Proposer did not unconditionally agree with 4.2.1, which was a requirement to be further evaluated and considered for award.

Reject as non-responsive the Proposal from Liberty Mutual as it failed to include an executed Required Response Form or any signed document within its Proposal and, therefore, said Proposal was not evaluated.

Reject Proposal from MassMutual DBS Financial upon the declaration of an impasse. Proposer notified SBBC, via email sent on September 12, 2012, that it would not proceed to execute a contract with SBBC under the RFP. MassMutual's withdrawal of its Proposal is permitted under **General Condition 7.2** of the RFP entitled "**Irrevocability of Proposal**", which precludes withdrawal of a proposal prior to the expiration of 90 days from the date of proposal opening.

Reject as non-responsive the Proposal from U.S. Legal Services, Inc. for failure to comply with Section 4.2 of the RFP entitled "**Minimum Eligibility**." Paragraph 4.2.4, states that "Most recent three (3) years available of independent audited financial statements must be provided if Proposer is an insurance carrier that cannot comply with 4.2.3 or if Proposer is not an insurance carrier. Proposer failed to provide three (3) years of independent audited financial statements with its Proposal.

SCORING SHEET -
Voluntary Supplemental Insurance - Accident Coverage

Voluntary Supplemental Insurance - Accident Coverage RFP 13-010V		Max Points	John D. Abraham	Amanda Bailey	Michael Benner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahan	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
Section A: Experience and Qualifications		30													
AIG Benefit Solutions			25	20	21	25	20	25	25	25	26	20	28	30	
Allstate Benefits			30	30	27	30	25	25	30	25	28	25	28	28	
Washington National Insurance Company			23	15	21	23	22	25	20	25	22	25	28	27	
Section B: Scope of Services		34													
AIG Benefit Solutions			21	20	24	32	24	34	25	20	30	20	24	33	
Allstate Benefits			26	34	27	31	25	25	30	20	32	24	25	32	
Washington National Insurance Company			30	25	20	25	24	28	23	25	25	28	26	29	
Section C: Cost of Services		30													
AIG Benefit Solutions			25	20	23	30	27	27	29	20	30	25	24	29	
Allstate Benefits			30	25	26	28	20	28	29	25	28	22	22	28	
Washington National Insurance Company			20	15	19	25	18	25	28	25	20	18	21	27	
Section D1: Minority/Women Business Enterprise (Participation)		2													
AIG Benefit Solutions			0	0	0	0	0	0	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	0	0	0	0	0	0	0	
Washington National Insurance Company			0	0	2	2	1	0	0	0	0	0	1	0	
Section D2: Minority/Women Business Enterprise (Diversity)		2													
AIG Benefit Solutions			0	0	0	0	0	0	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	0	0	0	0	0	0	0	
Washington National Insurance Company			1	0	2	1	1	0	0	1	1	1	1	0	
Section D3: Minority/Women Business Enterprise (Community Outreach)		2													
AIG Benefit Solutions			0	0	0	0	0	1	0	0	0	0	0	0	

SCORING SHEET -
Voluntary Supplemental Insurance - Accident Coverage

Voluntary Supplemental Insurance - Accident Coverage RFP 13-010V		Max Points	John D. Abraham	Amanda Bailey	Michael Bonner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahan	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
	Allstate Benefits		0	0	0	0	0	1	0	0	0	0	0	0	
	Washington National Insurance Company		1	0	2	1	0	1	0	0	0	0	1	0	
TOTAL SCORE		100													
	AIG Benefit Solutions		71	60	68	87	71	87	79	65	86	65	76	92	75.6
	Allstate Benefits		86	89	80	89	70	79	89	70	88	71	75	88	81.2
	Washington National Insurance Company		75	55	66	77	66	79	71	76	68	72	78	83	72.2

SIGNATURE: _____

DATE: _____

SCORING SHEET -
Voluntary Supplemental Insurance - Cancer/Critical Illness Coverage

Voluntary Supplemental Insurance - Cancer/Critical Illness Coverage RFP 13-010V		Max Points	John D. Abraham	Amanda Bailey	Michael Benner	Robert Carrough	Grace M. Diaz	Glynda Linton	Rebecca A. McMahon	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
Section A: Experience and Qualifications		30													
AIG Benefit Solutions			25	20	21	25	22	30	25	25	24	20	28	29	
Allstate Benefits			30	30	27	28	22	30	30	25	28	25	28	29	
Washington National Insurance Company			23	15	21	25	22	30	20	25	22	25	28	28	
Section B: Scope of Services		34													
AIG Benefit Solutions			25	25	24	30	25	22	24	20	28	17	26	33	
Allstate Benefits			30	30	27	30	25	30	29	20	32	24	25	32	
Washington National Insurance Company			26	20	20	25	23	28	21	25	27	26	24	33	
Section C: Cost of Services		30													
AIG Benefit Solutions			25	30	23	28	23	22	19	20	26	23	23	30	
Allstate Benefits			23	25	26	28	20	28	22	20	30	25	22	29	
Washington National Insurance Company			30	15	19	25	18	23	15	15	22	18	24	30	
Section D1: Minority/Women Business Enterprise (Participation)		2													
AIG Benefit Solutions			0	0	0	0	0	0	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	0	0	0	0	0	0	0	
Washington National Insurance Company			0	0	2	2	1	0	0	0	0	0	1	0	
Section D2: Minority/Women Business Enterprise (Diversity)		2													
AIG Benefit Solutions			0	0	0	0	0	0	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	0	0	0	0	0	0	0	
Washington National Insurance Company			1	0	2	1	1	0	0	1	1	1	1	0	
Section D3: Minority/Women Business Enterprise (Community Outreach)		2													
AIG Benefit Solutions			0	0	0	0	0	1	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	1	0	0	0	0	0	0	
Washington National Insurance Company			1	0	2	1	0	1	0	0	0	0	1	0	

SCORING SHEET -
Voluntary Supplemental Insurance - Cancer/Critical Illness Coverage

Voluntary Supplemental Insurance - Cancer/Critical Illness Coverage RFP 13-010V		Max Points	John D. Abraham	Armanda Bailey	Michael Benner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahon	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
TOTAL SCORE		100													
AIG Benefit Solutions			75	75	68	83	70	75	68	65	78	60	77	92	73.8
Allstate Benefits			83	85	80	86	67	89	81	65	90	74	75	90	80.4
Washington National Insurance Company			81	50	66	79	65	82	56	66	72	70	79	91	71.4

SIGNATURE: _____

DATE: _____

SCORING SHEET -
Voluntary Supplemental Insurance - Hospital Indemnity

Voluntary Supplemental Insurance - Hospital Indemnity Coverage RFP 13-010V		Max Points	John D. Abraham	Aminda Bailey	Michael Berner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahon	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
Section A: Experience and Qualifications		30													
AIG Benefit Solutions			25	20	21	26	20	30	25	25	27	23	26	29	
Allstate Benefits			30	30	27	28	22	30	30	26	29	20	28	29	
Section B: Scope of Services		34													
AIG Benefit Solutions			21	24	24	30	30	28	28	25	32	26	24	33	
Allstate Benefits			28	34	27	33	28	31	32	25	30	20	24	32	
Section C: Cost of Services		30													
AIG Benefit Solutions			25	30	23	25	26	25	28	20	30	25	21	29	
Allstate Benefits			25	20	26	27	24	25	27	20	28	21	23	29	
Section D1: Minority/Women Business Enterprise (Participation)		2													
AIG Benefit Solutions			0	0	0	0	0	0	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	0	0	0	0	0	0	0	
Section D2: Minority/Women Business Enterprise (Charity)		2													
AIG Benefit Solutions			0	0	0	0	0	0	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	0	0	0	0	0	0	0	
Section D3: Minority/Women Business Enterprise (Community Outreach)		2													
AIG Benefit Solutions			0	0	0	0	0	1	0	0	0	0	0	0	
Allstate Benefits			0	0	0	0	0	1	0	0	0	0	0	0	
TOTAL SCORE		100													
AIG Benefit Solutions			71	74	68	81	76	84	81	70	89	74	73	91	77.7
Allstate Benefits			83	84	80	88	74	87	89	70	87	61	75	90	80.7

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SCORING SHEET -
Voluntary Supplemental Insurance - Long Term Care

Voluntary Supplemental Insurance - Long Term Care RFP 13-010V		Max Points	John D. Abraham	Amanda Bailey	Michael Bonner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahan	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marlyn Swank	Average Score
Section A: Experience and Qualifications		30													
	Mass Mutual DBS Financial		28	30	19	20	10	22	27	25	27	18	25	29	
Section B: Scope of Services		34													
	Mass Mutual DBS Financial		29	34	19	25	25	24	30	25	32	30	27	33	
Section C: Cost of Services		30													
	Mass Mutual DBS Financial		20	20	19	10	20	27	28	20	30	25	20	29	
Section D1: Minority/Women Business Enterprise (Participation)		2													
	Mass Mutual DBS Financial		0	0	0	0	0	0	0	0	0	0	0	0	
Section D2: Minority/Women Business Enterprise (Diversity)		2													
	Mass Mutual DBS Financial		0	0	0	0	0	0	0	0	0	0	0	0	
Section D3: Minority/Women Business Enterprise (Community Outreach)		2													
	Mass Mutual DBS Financial		0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL SCORE		100													
	Mass Mutual DBS Financial		77	84	57	55	55	74	85	70	89	73	72	91	73.5

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SCORING SHEET -

Voluntary Supplemental Insurance - Permanent / Whole Life

**Voluntary Supplemental Insurance -
Permanent / Whole Life
RFP 13-010V**

Max Points	John D. Abraham	Amanda Bailey	Michael Benner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahan	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
Section A: Experience and Qualifications													
Texas Life Insurance Company	28	30	26	28	28	20	29	25	30	25	28	30	
Section B: Scope of Services													
Texas Life Insurance Company	29	34	24	30	28	27	34	25	32	28	28	29	
Section C: Cost of Services													
Texas Life Insurance Company	28	30	23	25	25	25	29	20	28	22	24	28	
Section D1: Minority/Women Business Enterprise (Participation)													
Texas Life Insurance Company	0	1	2	0	1	0	0	0	0	0	1	0	
Section D2: Minority/Women Business Enterprise (Diversity)													
Texas Life Insurance Company	2	1	2	2	1	0	0	1	1	1	1	0	
Section D3: Minority/Women Business Enterprise (Community Outreach)													
Texas Life Insurance Company	1	2	2	1	0	1	0	1	0	1	0	0	
TOTAL SCORE													
Texas Life Insurance Company	88	98	79	86	83	73	92	72	91	77	82	87	84

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SCORING SHEET -
Voluntary Supplemental Insurance - Universal Life

Voluntary Supplemental Insurance - Universal Life RFP 13-010V		Max Points	John D. Alvarado	Amelia Bailey	Michael Berner	Robert Carrough	Gracie M. Diaz	Glynda Linton	Rebecca A. McMahon	Lisa Maxwell	Jeffrey Moquin	Dale A. Spear	Robert Spence	Marilyn Swank	Average Score
Section A: Experience and Qualifications		30													
	AIG Benefit Solutions	25	20	21	28	25	28	25	25	25	26	23	28	29	
	Allstate Benefits	30	30	27	28	27	28	30	30	25	28	20	28	29	
Section B: Scope of Services		34													
	AIG Benefit Solutions	30	24	24	30	25	24	33	25	30	25	29	33		
	Allstate Benefits	29	34	27	30	22	25	30	20	32	17	30	33		
Section C: Cost of Services		30													
	AIG Benefit Solutions	25	15	19	28	22	22	28	20	27	25	22	29		
	Allstate Benefits	26	30	26	28	22	21	28	20	30	20	23	28		
Section D1: Minority/Women Business Enterprise (Participation)		2													
	AIG Benefit Solutions	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Allstate Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	
Section D2: Minority/Women Business Enterprise (Diversity)		2													
	AIG Benefit Solutions	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Allstate Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	
Section D3: Minority/Women Business Enterprise (Community Outreach)		2													
	AIG Benefit Solutions	0	0	0	0	0	1	0	0	0	0	0	0	0	
	Allstate Benefits	0	0	0	0	0	1	0	0	0	0	0	0	0	
TOTAL SCORE		100													
	AIG Benefit Solutions	80	59	64	86	72	75	86	70	83	73	79	91	76.5	
	Allstate Benefits	85	94	80	86	71	75	88	65	90	57	81	90	80.2	

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