

**BOARD OF SUPERVISORS
COUNTY OF MADISON**

PROPOSED SUPPLEMENTAL APPROPRIATION

DATE: 4/9/2019

FY2019

Type of Supplement	
	Interdepartmental transfer (same fund)
	Interfund transfer
	Revenue/Expense offset
x	Use of contingency
	Other use of fund balance not in original budget

PURPOSE: To appropriate additional contingency provision for cost of employee benefits consultant hire to review County health insurance options.

GL Account Reference	Account type	Fund Name	Department	Object Code/Source	Debit	Credit
10-09-91-91100-9200	Exp	GF	Contingency Reserve	Contingency - Operations		14,000.00
10-01-12-12110-3158	Exp	GF	County Administration	Consultant - Emp Benefits	14,000.00	
					14,000.00	14,000.00
					<u>14,000.00</u>	

Amount for Board to vote on
General Fund

Note: A debit charged to a budgeted expense line increases the appropriated expense; a credit charged to a budgeted expense line item decreases the appropriated expense. A credit charged to a budgeted revenue line item increases the anticipated revenue available.

Upon approval by the Board of Supervisors, the County Administrator shall forward a signed copy of the proposed supplemental appropriation to the County Finance Director.



Jack Hobbs, County Administrator

4/12/2019

Date

Employee Benefits Broker Service Agreement

THIS BROKER SERVICE AGREEMENT (this "Agreement") is between **MCGRUFF INSURANCE SERVICES, INC. ("MIS")** and **MADISON COUNTY (the "Client")**.

The Client and MIS agree as follows:

1. MIS will provide the employee benefit management services described on Exhibit A hereto (Employee Benefit Management Services).
2. The Client will provide MIS with all information necessary to enable MIS to provide Employee Benefit Management Services.
3. MIS agrees to perform the services described in this Agreement in a professional and timely manner.
4. The parties agree and understand the Client is not under any legal or other obligation to purchase any insurance product through MIS in its capacity as either a producer or consultant, and that the purchase of any insurance product or employee benefit management services is purely voluntary by the Client.
5. Remuneration:
 - A. The Client will pay MIS a fee in the amount of \$14,000.00 (the "Fee") for Employee Benefit Management Services. The Fee may be refundable, in whole or in part, in accordance with Section 11 of this Agreement.
 - B. The Fee will be payable upon receipt of an annual invoice by the Client.
 - C. MIS's compensation for Insurance Placement will be in the form of commissions from the insurance carriers and/or intermediaries with which the insurance policies are placed. Any such commission compensation is in addition to and separate from the Fee paid to MIS for the Employee Benefit Management Services.
 - D. With respect to Insurance Placements and/or Employee Benefit Management Services undertaken on behalf of the Client that are not contemplated by this Agreement, MIS may be compensated pursuant to a separate Broker Service Agreement or by the insurance companies and/or intermediaries utilized in such Insurance Placements. MIS will make information regarding such Agreements and compensation available to the Client upon request.
6. MIS also may receive "profit commissions," "Tier II commissions," or other compensation, including non-monetary awards (e.g., trips and other prizes) from insurers, trade organizations, or business partners. All such compensation is expressly excluded from and shall not be credited to or offset against the MIS compensation under this Agreement.
7. MIS reserves the right to engage its related affiliates and subsidiaries in connection with the execution of Broker Services Agreements. Use of these business partners and service providers could result in the accrual of additional income to MIS-related subsidiaries and affiliates.

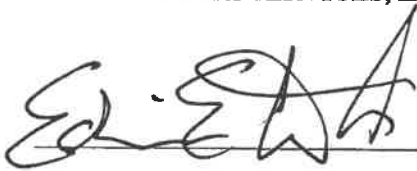
8. From time to time, MIS may share opinions or content regarding third parties, or make referrals to third party products and services ("Third Party Services"). Any Third Party Services, or links to third party sites shared or posted on MIS website or social media sites do not constitute an endorsement of any individual, organization, service, or product by MIS, nor does such activity indicate an affiliation with or sponsorship of the third party by MIS. Any third party claims regarding their products or services contained in their written materials or on the third party websites are those of the respective authors and do not reflect the affirmation, concurrence or agreement, of MIS, its employees, directors, officers, parents, or affiliates that those claims are accurate. MIS IS NOT LIABLE FOR ANY THIRD PARTY SERVICES OR THE STORAGE OR BREACH OF YOUR CONFIDENTIAL INFORMATION RELATED TO SUCH THIRD PARTY SERVICES. WE ARE NOT RESPONSIBLE FOR AND DO NOT OFFER ANY WARRANTY REGARDING THE QUALITY, ACCURACY, TIMELINESS, RELIABILITY OR ANY OTHER ASPECTS OF PRODUCTS OR SERVICES FROM THIRD PARTIES. YOU RELEASE US FROM ANY DAMAGES THAT YOU INCUR, AND AGREE NOT TO ASSERT ANY CLAIMS AGAINST US ARISING FROM YOUR USE OF PRODUCTS OR SERVICES FROM THIRD PARTIES.
9. This Agreement and the respective rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the state of Virginia.
10. This Agreement commences on April 1, 2019 and ends on March 31, 2020. Either party may terminate this Agreement upon 30 days advance written notice to the other party.
11. Unless otherwise prohibited by law or regulation, should this Agreement be terminated in accordance with Section 10, Client will pay MIS a prorated portion of the Fee through the date of termination.

IN WITNESS WHEREOF, the Client and MIS have executed this Agreement as of the Commencement Date indicated above.

MCGRIFF INSURANCE SERVICES, INC.

MADISON COUNTY

By:



By:



Name:

Edwin E White Jr.

Name:

Jack Hubbs

Title:

SVP

Title:

County Administrator

Date:

4/4/19

Date:

4/4/2019

EXHIBIT A

Employee Benefit Management Services

- A. Strategic Benefit Planning.** Agent/Broker will provide assistance in developing overall plan benchmarks and targets to ensure that the plan meets the objectives of Client and its employees.
- B. Benefit Design.** Agent/Broker will help to ensure that benefit designs are consistent with the strategic benchmarks and targets set forth in the strategic benefit planning process.
- C. Administration.** Agent/Broker will identify core administrative services, assess vendor performance, and manage vendor relationships to provide appropriate program administration.
- D. Funding.** Agent/Broker will provide counsel regarding program funding alternatives, including reviewing fee proposals and recommending budget rates, employee contribution rates, and COBRA rates.
- E. Vendor Selection.** Upon client request, Agent/Broker will prepare Request(s) for Proposal (RFP), analyze RFP's and prepare a summary report outlining responses. Vendors include, but are not limited to:
- Voluntary Worksite Programs
 - Wellness and Population Health Management Programs
 - Third Party Claims Administration
 - Utilization Review Programs
 - IRS Code Section 125 Programs
 - Preferred Provider Network Plans
 - Benefits Administration and Outsourcing Tools
 - Communication Services
 - Health Savings Account Services
 - ERISA Compliance (i.e.: 5500 Filings, ERISA Wrap Document, SPDs)
 - Private Exchange Solutions
 - Retirement Plan Consulting Services
 - Health and Welfare Actuarial Services
- F. Communication.** Agent/Broker will assist in drafting employee communications regarding benefit program performance and changes, and assist in the review of plan documents and insurance certificates during the planning and enrollment process.
- G. Compliance Tools & Legislative Information.** Agent/Broker will provide informational materials on legislative developments impacting employee benefit plans, including access

to online reference tools on topics such as FMLA, COBRA, HIPAA, HIPAA Privacy, Section 125, ERISA, and ACA.

H. Meetings with Client and Vendors. Services will include attendance at and facilitation of the following meetings with Client and vendors to facilitate program management including day-to-day operations and planning program changes:

- Upon Client request, Agent/Broker shall meet with Client semi-annually to discuss review of the program, state of the marketplace, progress made toward strategic plan, and developments within Clients organization.

I. Data Analysis. Agent/Broker will provide Client with summary comparisons and work with Client and TPA to secure additional reports as needed for claims analysis.

J. Agent/Broker will provide the following services for Client:

- Assist Client with current and 2019 contribution structure to include a salary/benefit cost study.
- Assist Client with potential 2019 Local Choice Plan offerings.
- Meet as necessary with Client's employees and Board of Supervisors with recommendations and plan of action.

K. COBRA Administration: Agent/Broker will coordinate COBRA Administration through Stanley, Hunt, DuPree & Rhine.