

March 23, 2010

[[Contact:26]]
[[Company:25]]
[[Address 1:27]]
[[Address 2:28]]
[[Address 3:29]]
[[City:30]], [[State:31]] [[Zip:32]]

Re: July 1, 2009 Request for Proposal for Morehouse School of Medicine

Dear [[Salutation:40]]:

Please use the information below and the enclosures to provide a quote for:

Company:	Morehouse School of Medicine
Industry:	Colleges & Universities (SIC 82 21)
Headquarters:	Atlanta, GA 30310
Effective Date:	July 1, 2010
Products:	Medical
Commission:	Net
Due Date:	Wednesday April 21st, 2010

Morehouse School of Medicine currently offers their employees dual option medical benefits though a United Healthcare self funded arrangement. They would like to look at alternate carriers to the stop-loss portion of their policy to see if there is more of a cost efficient competitor.

The census, plan designs, experience, and current stop loss contract are all included for your review.

- Although we are not doing a formal disclosure at this point, we wanted to provide data on the largest claim. The claimant for \$416,283 is a baby that was born premature in August 2009 and has only \$2,000 of those claims occurred after November 2009.

The current monthly contributions (medical, dental and vision combined) are as follows:

	Low	High
Employee	\$45.00	\$50.00
Employee + Souse	\$180.00	\$230.00
Employee + Child(ren)	\$140.00	\$185.00
Family	\$290.00	\$375.00

Please provide a quote similar to that of the inforce or as close as your product will allow.

If you have any questions or need any further information, please feel free to call me at (212) 603-0322 or Kevin Lynch at (212) 603-0329. Thank you.

Sincerely,

Kurt Knight
Vice President, Group Financial Services

Enclosure

Morehouse School of Medicine
May 4, 2010 Group Medical Review - Responses from Carriers

<u>Carrier</u>	<u>Responses</u>
[REDACTED]	[REDACTED]
Blue Cross Blue Shield of Georgia	Q
[REDACTED]	[REDACTED]
The Loomis Company (TPA)	Q

- Q ~ Quoted and included in this analysis
- NC ~ Quoted but not financially competitive and not included in this analysis
- DTQ ~ Declined to quote
- NA ~ Does not underwrite particular line of coverage
- Pending ~ Quote not completed at time of presentation

**Morehouse School of Medicine
May 4, 2010 Group Medical Review - Stop Loss Comparison**

Proposed Effective Date: July 1, 2010

Reinsurer	Inforce		Renewal		Aetna		Alternatives		United Healthcare (Fidelity Security Life)	
	Contract Basis	Paid w/ Terminal Pre-Paid	Contract Basis	Paid w/ Terminal Pre-Paid	Contract Basis	Paid w/ Terminal Pre-Paid	Contract Basis	Paid w/ Terminal Pre-Paid	Contract Basis	Paid w/ Terminal Pre-Paid
Specific Stop Loss										
Contract Basis	Paid w/ Terminal Pre-Paid		Paid w/ Terminal Pre-Paid		24/12		24/12		24/12	
Deductible	\$135,000		\$135,000		\$135,000		\$135,000		\$135,000	
Reimbursement Maximum	\$2,000,000 Lifetime		\$2,000,000 Lifetime		\$1,865,000 Lifetime		\$1,865,000 Lifetime		\$1,865,000 Lifetime	
Covered Benefits	Medical & Rx		Medical & Rx		Medical & Rx		Medical & Rx		Medical & Rx	
Broker Commission	15%		15%		15%		15%		15%	
Claimant Provisions ("Lasers")	None		<i>Pending Review</i>		<i>Pending Review</i>		<i>Pending Review</i>		<i>Pending Review</i>	
Premium Rates	# of EE's									
Single	441	\$58.29	\$70.94	\$33.47	\$56.07	\$63.97	\$56.07	\$63.97	\$63.97	\$63.97
Family	428	\$58.29	\$70.94	\$100.62	\$118.32	\$63.97	\$118.32	\$63.97	\$63.97	\$63.97
Total Specific Premium		\$607,848	\$739,762	\$693,908	\$904,408	\$667,079	\$904,408	\$667,079	\$667,079	\$667,079
Aggregate Stop Loss										
Contract Basis	Paid w/ Terminal Pre-Paid		Paid w/ Terminal Pre-Paid		24/12		24/12		24/12	
Claim Risk Corridor	25%		25%		25%		25%		25%	
Reimbursement Maximum	\$1,000,000		\$1,000,000		\$1,000,000		\$1,000,000		\$1,000,000	
Covered Benefits	Medical & Rx		Medical & Rx		Medical & Rx		Medical & Rx		Medical & Rx	
Broker Commission	15%		15%		15%		15%		15%	
Premium Rates	# of EE's									
All Employees	869	\$3.79	\$4.29	\$3.84	\$5.84	\$3.42	\$5.84	\$3.42	\$3.42	\$3.42
Total Aggregate Premium		\$39,522	\$44,736	\$40,044	\$60,850	\$35,664	\$60,850	\$35,664	\$35,664	\$35,664
Total Annual Stop Loss Premium		\$647,370	\$784,498	\$733,951	\$965,258	\$702,743	\$965,258	\$702,743	\$702,743	\$702,743
Stop Loss Premium Cost Change (vs. Inforce / Renewal)			\$157,128 / \$0	\$86,581 / (\$80,547)	\$317,885 / \$180,757	\$88,375 / (\$81,756)	\$317,885 / \$180,757	\$88,375 / (\$81,756)	\$317,885 / \$180,757	\$88,375 / (\$81,756)
Stop Loss Premium % Change (vs. Inforce / Renewal)			21.2% / 0.0%	15.4% / -6.4%	49.1% / 25.0%	8.6% / -10.4%	49.1% / 25.0%	8.6% / -10.4%	49.1% / 25.0%	8.6% / -10.4%
Aggregate Factors										
Claim Factors	# of EE's									
Single	441	\$631.81	\$855.34	\$598.92	\$500.49	\$855.28	\$500.49	\$855.28	\$855.28	\$855.28
Family	428	\$631.81	\$855.34	\$1,227.11	\$1,301.27	\$855.28	\$1,301.27	\$855.28	\$855.28	\$855.28
Aggregate Claim Liability		\$6,588,515	\$8,919,486	\$9,471,922	\$9,331,916	\$8,918,860	\$9,331,916	\$8,918,860	\$8,918,860	\$8,918,860
Aggregate Claim Liability Change (vs. Inforce / Renewal)			\$2,330,971 / \$0	\$2,883,407 / \$552,436	\$2,743,401 / \$412,450	\$2,330,345 / (\$626)	\$2,743,401 / \$412,450	\$2,330,345 / (\$626)	\$2,743,401 / \$412,450	\$2,330,345 / (\$626)
Aggregate Claim Liability % Change (vs. Inforce / Renewal)			35.4% / 0.0%	43.8% / 6.2%	41.6% / 4.6%	35.4% / 0.0%	41.6% / 4.6%	35.4% / 0.0%	41.6% / 4.6%	35.4% / 0.0%
Additional Stop Loss Caveats					United Healthcare requires an additional \$1.00 PEPM fee for independent stop loss administration (about \$10,500 annually).		United Healthcare requires an additional \$1.00 PEPM fee for independent stop loss administration (about \$10,500 annually).		United Healthcare requires an additional \$1.00 PEPM fee for independent stop loss administration (about \$10,500 annually).	

The renewal and all proposals are pending review of disclosure information with paid claims through the end of the year and may adjust their proposals based on their final interpretation of the information.

* ING and Vista provided uncompetitive proposals.