# City of Jacksonville, Florida

*Lenny Curry, Mayor*

Employee Services Department
City Hall, 117 West Duval St., Suite 150
Jacksonville, Florida 32202


ONE CITY. ONE JACKSONVILLE.

MEMORANDUM

TO: Greg Pease, Chairperson
Professional Services Evaluation Committee

FROM: Mary DiPerna, Chief, Compensation and Benefits Division
Carolina Teran-Oceguera, Manager, Compensation and Benefits Division

SUBJECT: P30-18 SS#6 – TRICARE Supplement

DATE: July 09, 2019

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This is to recommend that the City approve the first amendment to the contract with Selman Corporation for the TRICARE Supplement plan. The contract shall be for a one-year period effective January 1, 2020 through December 31, 2020.

The TRICARE Supplement plan will be offered to employees that currently have TRICARE and want to opt out of the City's health insurance. The City will not subsidize or incentivize this plan and it will be paid for solely by the employees that choose to voluntarily enroll in this plan. For your reference, I have attached a copy of the proposal from ASI which outlines the details of the product as well as the cost of those services.

Attachments:

TRICARE proposal

**SelmanCo**

**Insurance Administrative Services from an Extraordinary Partner**

Mary DiPerna
**City of Jacksonville**
117 W. Duval Street Suite 150
Jacksonville FL 32202

**RE: TRICARE Supplement Insurance Plan Rates**
**Group No 0001644**

Dear Employee:

Selman & Company, an insurance administrator for the City of Jacksonville, is pleased to offer you TRICARE Supplement Insurance Plans as a valuable employee benefit. Please refer to the *Brochure for Employees* and *Plan Design for Employees* for details, exclusions, and limitations.

**Monthly Employee Rates:**

| Tier Level | Membership Fee | Current Premium Rates | Total Amount Charged |
|---|---|---|---|
| Employee Only | $1.50 | $66.00 | $67.50 |
| Employee plus Spouse | $1.50 | $131.00 | $132.50 |
| Employee plus Child(ren) | $1.50 | $131.00 | $132.50 |
| Employee plus Family | $1.50 | $177.00 | $178.50 |

**Monthly Employee Rates for State of Washington Residents ONLY:**

| Tier Level | Membership Fee | Current Premium Rates | Total Amount Charged |
|---|---|---|---|
| Employee Only | $1.50 | $42.67 | $44.17 |
| Employee plus One | $1.50 | $84.67 | $86.17 |
| Employee plus Two/More | $1.50 | $115.00 | $116.50 |

*Rates and/or benefits may be changed on a class basis.*

Thank you for your participation in the City of Jacksonville's TRICARE Supplement Plans. We look forward to assisting you during the forthcoming benefit year. If you have questions, please contact us at 800-638-2610, or via email at memberservices@selmanco.com. Thank you for your service.

Best regards,

Ron Erjavec
Client Manager
Selman & Company

Underwritten by Hartford Life and Accident Insurance Company, Hartford, CT 06155
TRICARE Form Series includes GBD-3000 (2017), GBD-3100 (2017), or state equivalent.
TS-Employee Rate Schedule-022019

9563-02

**SINGLE SOURCE CONTRACT**
**BETWEEN**
**THE CITY OF JACKSONVILLE**
**AND**
**SELMAN & COMPANY, LLC**
**FOR**
**TRICARE SUPPLEMENT PLAN**

**THIS SINGLE SOURCE CONTRACT** (the "Contract") is made and entered into effective as of the first day of January, 2019 (the "Effective Date"), by and between the CITY OF JACKSONVILLE, a municipal corporation existing under the Constitution and laws of the State of Florida ("City"), and SELMAN & COMPANY, LLC, a foreign limited liability company authorized to do business in the State of Florida with a principal address at 6110 Parkland Boulevard, Cleveland, Ohio 44124 (the "Vendor"), for provision of the TRICARE Supplement Plan as a voluntary group health insurance plan (the "Plan").

**W I T N E S S E T H:**

**WHEREAS**, City desires to engage Vendor for provision of the Plan to City employees, as described in the TRICARE Supplement Plan, attached to this Contract as **Exhibit A** (the "Services"); and

**WHEREAS**, Vendor is willing and able to accept such engagement and provide the Plan in accordance with the terms and conditions contained in this Contract; and

**WHEREAS**, the Plan can be procured only through Vendor because Vendor is the only vendor able to offer TRICARE Supplement as it is the originator of the group TRICARE Supplement Plan; and

**WHEREAS**, pursuant to Section 126.206, *Ordinance Code*, notice of the Single Source Request was posted for no fewer than seven calendar days on the Procurement Division's website; and

**WHEREAS**, it has been determined by the Procurement Division that there is not another potential source which can efficiently and effectively provide the Plan; and

**WHEREAS**, City's General Governmental Awards Committee and Mayor approved a Single Source Award (P-30-18 SS#6) to Vendor for the procurement of the Plan on June 23, 2018; now therefore

**IN CONSIDERATION** of the mutual promises and covenants herein contained, the Parties, each intending to be legally bound hereby, do promise and agree as follows:

**8. Contract Managers.** Each Party will designate a Contract Manager during the term of this Contract whose responsibility shall be to oversee the Party's performance of its duties and obligations pursuant to the terms of this Contract. As of the Effective Date, City's Contract Manager is Mary DiPerna (904.630.6719; Mdiperna@coj.net), and the Vendor's Contract Manager is Jessica Zeiser (301.816.0045 ext. 156; jzeiser@selmanco.com). Each Party shall provide prompt written notice to the other Party of any changes to the Party's Project Manager or his or her contact information; provided, such changes shall not be deemed Contract amendments and may be provided via email.

**9. Entire Agreement.** This Contract constitutes the entire agreement between the parties hereto for the Plan to be provided by Vendor. No statement, representation, writing, understanding, agreement, course of action, or course of conduct made by either party or any representative of either party which is not expressed herein shall be binding. Vendor acknowledges that it is entering into this Contract for its own purposes and not for the benefit of any third party.

**10. Amendments.** All changes to, additions to, modifications of, or amendments to this Contract or any of the terms, provisions, and conditions hereof shall be binding only when in writing and signed by the authorized officer, agent, or representative of each of the parties hereto.

**11. Counterparts.** This Contract and all amendments hereto may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. The parties further agree that facsimile transmission of all signatures shall constitute and be evidence of an executed Agreement.

**[Remainder of page left blank intentionally. Signature page follows immediately.]**

**Exhibit A**

**TRICARE Supplement Plan – please see attached document**

**B.23 Warranty of Authority to Sign Contract**

**B.24 Governing State Law/Severability/Venue/Waiver of Jury Trial**

**B.25 Construction**

not been resolved at the end of the three (3) year period, the Records shall be retained until resolution of the audit findings or any litigation which may be based on the terms of the Contract, at no additional cost to City. Records shall be retained for longer periods when the retention period exceeds the time frames required by law or ordinance.

(c) At all reasonable times for as long as the Records are maintained, Vendor must allow persons duly authorized by City (including City's auditor and inspector general offices) to have full access to and the right to examine, copy, or audit any of the Records, regardless of the form in which kept. Vendor will not charge City for any setup, supervision, or space in connection with the examination and audit. Photocopying charges will not exceed the actual and reasonable cost of the copies to Vendor, and City shall be permitted to bring its photocopying equipment if City so desires.

(d) Vendor must comply with and cooperate in any audits or reports requested by City, and must ensure that all related party transactions are disclosed to the auditor.

(e) Vendor must permit City to interview any of Vendor's employees, subcontractors, and subcontractor employees to assure City of the satisfactory performance of the terms and conditions of the Contract. Unless the parties agree otherwise or City is willing to pay for the employee's reasonable travel expenses, the interviews will be conducted at the employee's primary place of work. Vendor will not charge City for any employee time unless the interview time for that employee exceeds eight (8) hours in a calendar year.

(f) Following any audit or review, if performance of Vendor is, in the opinion of City, deficient, City will deliver to Vendor a written report of the deficiencies and request for development by Vendor of a corrective action plan. Vendor hereby agrees to prepare and submit to City said corrective action plan within ten (10) days of receiving City's written report. Thereafter, Vendor must correct all deficiencies in the corrective action plan within a reasonable time after City's receipt of the corrective action plan.

(g) All reports and other information provided by Vendor pursuant to this Section shall be submitted under penalties of perjury under Section 837.06, Florida Statutes.

(h) Vendor must include the aforementioned audit, inspection, investigation, and record-keeping requirements in all subcontracts and Contract assignments.

(i) Vendor agrees to reimburse City for the reasonable costs of investigation incurred by City for audits, inspections, and investigations that uncover a material violation of the Contract. Such costs shall include the salaries of investigators, including overtime, travel, and lodging expenses, and expert witness and documentary fees. Vendor shall not be responsible for any costs of investigations that do not uncover a material violation of the Contract.

**B.8 Indemnification.** See **Exhibit C**

**B.9 Insurance.** See **Exhibit D**

**B.10 City's Remedies upon Vendor's Default.** Any one or more of the following events, if not cured within ten (10) calendar days after Vendor's receipt of written notice thereof, shall constitute an "Event of Default" on the part of Vendor: (1) Vendor fails to perform the Services

**B.15 Public Records Law; Process for Protecting Trade Secrets and Other Information.** Article 1, Section 24, Florida Constitution, guarantees every person access to all public records, and Section 119.011, Florida Statutes, provides a broad definition of public records. All documents received by City in connection with this Contract are subject to Chapter 119, Florida Statutes (the "Florida Public Records Law"). Any specific information that Vendor claims to be a trade secret or otherwise exempt from the Florida Public Records Law must be clearly identified as such by Vendor on all copies furnished to City. City agrees to notify Vendor of any third-party request to view such information, but it is Vendor's obligation to obtain a court order enjoining disclosure. If Vendor fails to obtain a court order enjoining disclosure within five (5) business days of Vendor's receiving notice of the request, City may release the requested information. Such release shall be deemed for purposes of the Contract to be made with Vendor's consent and will not be deemed to be a violation of law, including but not limited to laws concerning trade secrets, copyright, or other intellectual property.

In accordance with Section 119.0701, Florida Statutes, the Vendor shall:

(a) Keep and maintain public records required by City to perform the services; and

(b) Upon request from City's custodian of public records, provide City with a copy of the requested records or allow records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided for in Chapter 119, Florida Statutes, or as otherwise provided by law; and

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Contract term and following completion of the Contract if Vendor does not transfer the records to City; and

(d) Upon completion of this Contract, transfer to City at no cost all public records in possession of Vendor or keep and maintain public records required by City to perform the service. If Vendor transfers all public records to City upon completion of this Contract, Vendor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Vendor keeps and maintains public records upon completion of this Contract, Vendor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to City upon request from City's custodian of public records in a format that is compatible with City's information technology systems.

The above requirements apply to a "Contractor" as defined in Section, 119.0701, Florida Statutes.

**IF VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CITY'S CUSTODIAN OF PUBLIC RECORDS AT (904) 630-7678; PRR@COJ.NET; CITY OF JACKSONVILLE, PUBLIC**

fide employee working solely for Vendor, to solicit or secure the Contract and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for Vendor, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of the Contract. For the breach or violation of these provisions, City shall have the right to terminate the Contract without liability and, at its discretion, to deduct from the contract price or otherwise recover the full amount of such fee, commission, percentage, gift, or consideration.

**B.21 Compliance with Applicable Laws.** Vendor (and any subcontractors) must comply with all applicable federal, state, and local laws, rules, and regulations as the same exist and as may be amended from time to time, including but not limited to:

- Chapter 119, Florida Statutes (the Florida Public Records Law);
- Section 286.011, Florida Statutes (the Florida Sunshine Law);
- Chapter 602, *Ordinance Code* (the Jacksonville Ethics Code);
- Chapter 126, *Ordinance Code* (the Jacksonville Purchasing Code); and
- All licensing and certification requirements applicable to Plan

**B.22 Warranty of Ability to Perform.** Vendor warrants that (i) it is ready, willing, and able to perform its obligations under the Contract, and (ii) to the best of Vendor's knowledge, there are no pending or threatened actions, proceedings, investigations, or any other legal or financial conditions that would in any way prohibit, restrain, or diminish Vendor's ability to satisfy its Contract obligations. Vendor shall immediately notify City in writing if its ability to perform is compromised in any manner during the term of the Contract.

**B.23 Warranty of Authority to Sign Contract.** Each person signing the Contract warrants that he or she is duly authorized to do so and to bind the respective party to the Contract.

**B.24 Governing State Law/Severability/Venue/Waiver of Jury Trial.** The rights, obligations, and remedies of the parties as specified under the Contract shall be interpreted and governed in all aspects by the laws of the State of Florida. Should any provision of the Contract be determined by the courts to be illegal, unenforceable, or in conflict with any applicable law, the validity of the remaining provisions shall not be impaired. Venue for litigation of the Contract shall be exclusively in courts of competent jurisdiction located in Jacksonville, Duval County, Florida. The parties waive any and all rights to a jury trial with respect to disputes arising under the Contract.

**B.25 Construction.** Both parties acknowledge that they have had the opportunity to provide meaningful input into the terms and conditions contained in the Contract. Therefore, any doubtful or ambiguous provisions contained herein shall not be construed against the party who physically prepared the Contract. Article headings appearing herein are inserted for convenience or reference only and shall in no way be construed to be interpretations of text.

# EXHIBIT D
# INSURANCE REQUIREMENTS

Without limiting its liability under this Contract, Vendor shall procure prior to commencement of work and maintain at its sole expense during the life of this Contract (and Vendor shall require its, subcontractors, laborers, materialmen, and suppliers to provide, as applicable), insurance of the types and limits and in amounts not less than those stated below:

Insurance Coverages

| Schedule | Limits |
|---|---|
| **Worker's Compensation** | Florida Statutory Coverage |
| **Employer's Liability** | $ 100,000 Each Accident |
| | $ 500,000 Disease Policy Limit |
| | $ 100,000 Each Employee/Disease |

This insurance shall cover the Vendor (and, to the extent they are not otherwise insured, its subcontractors) for those sources of liability which would be covered by the latest edition of the standard Workers' Compensation policy, as filed for use in the State of Florida by the National Council on Compensation Insurance (NCCI), without any restrictive endorsements other than the Florida Employers Liability Coverage Endorsement (NCCI Form WC 09 03), those which are required by the State of Florida, or any restrictive NCCI endorsements which, under an NCCI filing, must be attached to the policy (i.e., mandatory endorsements). In addition to coverage for the Florida Workers' Compensation Act, where appropriate coverage is to be included for the Federal Employers' Liability Act, USL&H and Jones, and any other applicable federal or state law.

| | | |
|---|---|---|
| **Commercial General Liability** | $2,000,000 | General Aggregate |
| | $2,000,000 | Products & Comp. Ops. Agg. |
| | $1,000,000 | Personal/Advertising Injury |
| | $1,000,000 | Each Occurrence |
| | $ 50,000 | Fire Damage |
| | $ 5,000 | Medical Expenses |

Such insurance shall be no more restrictive than that provided by the most recent version of the standard Commercial General Liability Form (ISO Form CG 00 01) as filed for use in the State of Florida without any restrictive endorsements other than those reasonably required by the City's Office of Risk Management. An Excess Liability policy or Umbrella policy can be used to satisfy the above limits.

**Automobile Liability** $1,000,000 Combined Single Limit
(Coverage for all automobiles owned, hired, or non-owned used in performance of the Contract)

Such insurance shall be no more restrictive than that provided by the most recent version of the standard Business Auto Coverage Form (ISO Form CA0001) as filed for use in the State of Florida without any restrictive endorsements other than those which are required by the State of Florida, or equivalent manuscript form, and must be attached to the policy equivalent endorsement as filed with ISO (i.e., mandatory endorsement).

F. Waiver/Estoppel. Neither approval by City of, nor its failure to disapprove, the insurance furnished by Vendor shall relieve Vendor of its full responsibility to provide insurance as required under this Contract.

G. Certificates of Insurance. Vendor shall provide the City Certificates of Insurance that show the corresponding City Contract Number in the Description, if known, Additional Insureds as provided above and waivers of subrogation. The certificates of insurance shall be mailed to the City of Jacksonville (Attention: Chief of Risk Management), 117 W. Duval Street, Suite 335, Jacksonville, Florida 32202.

H. Carrier Qualifications. The above insurance shall be written by an insurer holding a current certificate of authority pursuant to Chapter 624, Florida Statutes, or a company that is declared as an approved Surplus Lines carrier under Chapter 626, Florida Statutes. Such insurance shall be written by an insurer with an A.M. Best Rating of A- VII or better.

I. Notice. The Vendor shall provide an endorsement issued by the insurer to provide the City thirty (30) days prior written notice of any change in the above insurance coverage limits or cancellation, including expiration or non-renewal. If such endorsement is not provided, then Vendor shall provide thirty (30) days' written notice of any change in the above coverages or limits, or of coverages' being suspended, voided, or cancelled, including through expiration or non-renewal.

J. Survival. Anything to the contrary notwithstanding, the liabilities of the Vendor under this Contract shall survive and not be terminated, reduced, or otherwise limited by any expiration or termination of insurance coverage.

K. Additional Insurance. Depending upon the nature of any aspect of any project and its accompanying exposures and liabilities, the City may reasonably require additional insurance coverages in amounts responsive to those liabilities, which may or may not require that the City also be named as an additional insured.

L. Special Provisions: Prior to executing this Agreement, Vendor shall present this Contract and EXHIBITS C & D to its Insurance Agent affirming: 1) that the Agent has personally reviewed the insurance requirements of the Contract Documents; and, (2) that the Agent is capable (has proper market access) to provide the coverages and limits of liability required on behalf of Vendor.

# Transamerica Premier Life Insurance Company

**A Stock Company**
**Home Office:** Cedar Rapids, Iowa
**Administrative Office:** 100 Light Street, Baltimore, Maryland 21202

## CERTIFICATE OF INSURANCE

**Policyholder:** **American Military Insurance Trust**
**Policy Number:** **MZ0925784H0000A**

Transamerica Premier Life Insurance Company (we, us, our) has issued a Policy to the Policyholder (our name, the Policyholder name and the Policy Number are shown above). The provisions of the Policy which are important to you are summarized in this Certificate; consisting of this form, the Schedule with the most recent effective date, and any additional forms which may have been made a part of this Certificate. This Certificate replaces any certificates which may have been given to you earlier for the Policy. The Policy alone is the only contract under which payment will be made. Any difference between the Policy and this Certificate will be settled according to the provisions of the Policy. The Policy may be inspected at the office of the Policyholder.

**Secretary** **President**

## 30 DAY FREE LOOK

You have the right to examine your Certificate. If you are not satisfied, you may return it to us within 30 days of your effective date. In that event, we will consider it void from the Certificate Effective Date and any premium paid will be refunded. Any claims paid under the Policy during the initial 30 day period will be deducted from the refund.

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## GROUP TRICARE SUPPLEMENT COVERAGE

**Organization** means the Participating Organization named on the Schedule.

**Outpatient** means a Covered Person's treatment for Injury or Sickness on a day that Covered Person is not Confined.

**Outpatient Deductible** means the Outpatient deductible, as defined and determined by TRICARE.

**Period of Confinement** means an interval of time during which the Covered Person is an Inpatient in a Hospital or Skilled Nursing Facility. A Period of Confinement: (a) begins on the date the Covered Person is admitted to a Hospital or Skilled Nursing Facility while the Covered Person is covered by the Policy; and (b) ends on the date the Covered Person is discharged from the Hospital or Skilled Nursing Facility.

**Physician** means a legally qualified physician or surgeon or other practitioner who is recognized by TRICARE.

**Plan Administrator** means: Selman & Company, LLC, 6110 Parkland Blvd., Cleveland, OH 44124.

**Plan Deductible** means: the deductible amount applied to each Covered Person's expenses each Fiscal Year. Once Covered Persons in a family have collectively satisfied the applicable amount, no further deductible amount shall apply for that family for the remainder of the Fiscal Year. The Plan Deductible amount per Covered Person and family is shown on the Schedule. For the purposes of this definition, the term "family" means all members of your immediate family covered under the Policy referred to as Covered Persons. The Plan Deductible may only be satisfied by: (a) with respect to Inpatient charges: any TRICARE Inpatient copayment; and (b) with respect to Outpatient charges: any TRICARE Outpatient copayment charges and expenses applied to the TRICARE Outpatient Deductible.

**Point-of-Service** means TRICARE Prime enrollees have the freedom to receive services without a referral or authorization.

**Policyholder** means the legal entity in whose name the Policy is issued, as shown on the Schedule.

**Request** means a written request made on the form we or the Plan Administrator furnish for making the request.

**Retiree or Retired Member** means a member of the Organization who is retired from Active Duty and is covered by TRICARE.

**Service** means Uniformed Service of the United States.

**Service Hospital** means: (a) a U.S. Military Service hospital; or (b) a U.S. Public Health Service hospital.

**Sickness** means: (a) a Covered Person's sickness or disease including pregnancy; or (b) Well Baby Care, as defined.

**Skilled Nursing Facility** means one which: (a) is approved by Medicare or is qualified to receive approval by Medicare if so required; (b) operates pursuant to law; (c) primarily and continuously provides skilled nursing care and related services to persons convalescing from Sickness or Injury on an Inpatient basis for which a charge is made; (d) provides 24-hour-a-day nursing service by or under the supervision of registered nurses (R.N.); (e) provides adequate procedures for the administration of drugs; (f) maintains daily medical records of each patient; and (g) provides each patient with a planned program of medical care and treatment by or under the supervision of a Physician. Skilled Nursing Facility does not mean: (a) a hospital; (b) a place for rest, custodial care, or the aged; or (c) a place for the treatment of mental disease, drug addicts or alcoholics.

**Totally Disabled** means disabled by an Injury or Sickness that continuously confines the Covered Person: (a) in a Hospital; (b) in a Skilled Nursing Facility; or (c) indoors under the regular care and attendance of a Physician. Total Disability will not be ended: (a) by going to and from a doctor's office of Hospital for treatment; or (b) by resting out-of-doors at home; if advised to do so by a Physician.

**TRICARE** means the Department of Defense regional managed care program for members of the uniformed services and their families, and survivors and retired members and their families. TRICARE provides TRICARE beneficiaries three choices for their health care delivery: TRICARE Standard, a fee-for-service option which is the same as the former standard CHAMPUS program; TRICARE Extra, a preferred provider option which offers discounts; and TRICARE PRIME, an enrolled health maintenance organization (HMO) option.

## PERIOD OF COVERAGE

**Insured Person's Effective Date:** Subject to the Deferred Effective Date provision, you will become covered by the Policy on the Effective Date of the Schedule that first shows coverage for you. Coverage is shown for you by a TRICARE Supplement Plan stated across from "Member" in the Schedule. If no coverage is shown across from "Member", you are not covered under the Policy.

**Deferred Effective Date for Insured Person:** If on the date you are to become covered under the Policy you are confined in a Hospital, your coverage will be deferred until the first day after you are discharged.

**Request for Change in Insured Person's Coverage:** If you Request a change in coverage, the change will become effective on the first day of the month on or after the date we or your employer receives the Request, provided the required premium is paid. No change will be made if you are not eligible for the change requested.

**Eligible Dependents:** Your Eligible Dependents are described below.

> Eligible Spouse: "Spouse" means your Spouse who is a TRICARE beneficiary, but not a spouse from whom you are legally separated or divorced.
>
> Eligible Child: "Child" means your or your Spouse's unmarried child who is a TRICARE beneficiary and dependent on you or your Spouse for at least one-half support, including a stepchild or legally adopted child and who is under age 21 (23 if enrolled full-time in a school of higher learning).

No person can be covered as both a Member and a Member's Eligible Spouse, nor can any person be covered as a Dependent Eligible Child of more than one Member.

**Covered Dependent Effective Date:** Subject to the Deferred Effective Date provision, an Eligible Dependent will become covered by the Policy on the Certificate Effective Date that first shows coverage for the Eligible Dependent. Dependent coverage is shown in the Schedule by a TRICARE Supplement Plan stated across from the Eligible Dependent class. If no coverage is shown across from "Spouse" or "Child(ren)", the Eligible Dependent is not covered under the Policy.

**Deferred Effective Date of Dependent:** If on the date that an Eligible Dependent is to become covered under the Policy, the Eligible Dependent is confined in a Hospital, coverage of that Eligible Dependent will be deferred until the first day after that Eligible Dependent is discharged. This provision does not apply to a newborn child.

**Request for Change in Dependent's Coverage:** If you Request a change in your dependent's coverage, the change will become effective on the first day of the month on or after the date we or your employer receives the Request, provided the required premium is paid. No change will be made if your dependent is not eligible for the change requested.

**Newborn Child:** If a child is born to you or your Covered Spouse, the child will become covered by the Policy from the moment of birth. The child will be covered for Injury or Sickness (including congenital defects, birth abnormalities and prematurity) under the same plans and benefits that apply: (a) to your other child(ren), if you have other children covered under the Policy; or if not (b) to your Spouse, if your Spouse is covered under the Policy; or if not (c) to you. The child's coverage will cease on the 31st day next following the child's effective date; unless we receive notice and the required premium to continue the child before that date.

**Termination:** A Covered Person's coverage under the Policy will cease on the first to occur of:

(1) the date the Policy terminates or the date the Organization ceases to be a Participating Organization of the Policyholder;
(2) the date the required premium is not paid, subject to the Grace Period provision;
(3) the date you cease to be a member of the Organization;
(4) the first day of the month on or next following the date the dependent ceases to be an Eligible Spouse or an Eligible Child;
(5) the date we or the Organization cancel coverage for a Class of Eligible Person to which the Covered Person belongs;
(6) the date the Covered Person becomes eligible for Medicare unless the Covered Person resides in an area where Medicare is not available, in which case coverage will not terminate until the Covered Person returns to residency in an area where Medicare is available;

## TRICARE SUPPLEMENT PLANS
## TRICARE COMPREHENSIVE RETIREE SUPPLEMENT PLAN

**INPATIENT BENEFIT:** After a Covered Person has satisfied the Covered Person's Plan Deductible, we will pay the benefits described below for a Covered Person's Period of Confinement in a Hospital or Skilled Nursing Facility.

The Period of Confinement must:
(a) be due to Sickness or Injury;
(b) begin while the Covered Person is covered under this benefit;
(c) be approved by TRICARE.

**Benefits in a Government Hospital:** We will pay the current Daily Subsistence Charge for each day a Covered Person is Confined in a Government Hospital.

**Benefits in a Civilian Hospital or Skilled Nursing Facility:** For Confinement in a Civilian Hospital or Skilled Nursing Facility which is subject to the TRICARE DRG, we will pay:

(1) Under TRICARE Standard: The lesser of:
(a) the TRICARE Per Diem Charge for the Period of Confinement; or
(b) 25% of the amount billed for Covered Expenses not to exceed the TRICARE DRG Amount;
until the TRICARE Cap is met.

For Confinement in a Civilian Hospital or Skilled Nursing Facility which is not subject to the TRICARE DRG, we will pay 25% of the TRICARE Allowed Amount until the TRICARE Cap is met.

For all Confinements with services not subject to the TRICARE DRG, we will pay 100% of all Covered Expenses in Excess of the TRICARE Allowed Amount incurred during the Confinement, not to exceed the Legal Limit.

(2) Under TRICARE Extra: The lesser of:
(a) the TRICARE Extra discounted TRICARE Per Diem Charge for the Period of Confinement; or
(b) 25% of the amount billed for Covered Expenses not to exceed the TRICARE DRG Amount;
until the TRICARE Cap is met.

For Confinement in a Civilian Hospital or Skilled Nursing Facility which is not subject to the TRICARE DRG, we will pay 20% of the amount billed until the TRICARE Cap is met.

**OUTPATIENT BENEFIT:** When a Covered Person incurs Covered Expenses while the Covered Person is not Confined in a Hospital or Skilled Nursing Facility, we will pay the benefits described below provided that the expenses are:
(a) due to Sickness or Injury;
(b) incurred while the Covered Person is covered under this benefit;
(c) approved by TRICARE;
(d) incurred after the Covered Person has satisfied the Covered Person's Plan Deductible and the Outpatient Deductible charged by TRICARE.

We will pay the expenses which are used to satisfy the Outpatient Deductible charged by TRICARE, provided that the Outpatient Deductible is satisfied after the effective date of coverage (reimbursement for the Outpatient Deductible will be prorated for a Covered Person who is covered less than a full year).

In addition, we will pay:
(1) Under TRICARE Standard:
(a) 25% of the TRICARE Allowed Amount for the Covered Expenses until the TRICARE Cap is met; and
(b) 100% of all Covered Expenses in Excess of the TRICARE Allowed Amount, not to exceed the Legal Limit.

(2) Under TRICARE Extra:
20% of the TRICARE Extra Contracted Fee for the Covered Expenses until the TRICARE Cap is met.
All Outpatient Covered Expenses will be deemed incurred on the date the Covered Person received the treatment, service or supply that gave rise to the expense.

## EXTENSION OF BENEFITS
## IF TOTALLY DISABLED WHEN COVERAGE TERMINATES

If a Covered Person is Totally Disabled on the date the Covered Person's coverage under the Policy terminates, we will extend Inpatient benefits for expense incurred as the result of that disability until the first to occur of:

(a) the date the Covered Person is no longer Totally Disabled; or
(b) the 90th day from the date the Covered Person's Inpatient benefit ended.

After the 90th day, no further benefits will be paid.

If a Covered Person is Totally Disabled on the date the Covered Person's Outpatient Benefit ends, then the Covered Person's benefits under the Policy will continue up to 90 days from the date of termination.

If a Covered Person is not Totally Disabled on the date the Covered Person's Outpatient Benefit terminates, no benefits will be provided for Outpatient expenses the Covered Person incurs after the date of termination.

The continuation will only apply to expense incurred for Injury or Sickness that caused the Total Disability.

## LIMITATIONS

**Nervous, Mental, Emotional Disorder, Alcoholism, and Drug Addiction Limits**

The coverage provided under the Inpatient Benefits of the TRICARE Supplements for nervous, mental, emotional disorders, including alcoholism and drug addiction, is limited to:

(a) 30 Inpatient treatment days for a Covered Person age 19 or older; or
(b) 45 Inpatient treatment days for a Covered Person under age 19;

per Fiscal Year.

This Inpatient limit is based on the number of days TRICARE normally provides each Fiscal Year for such confinements.

In rare instances, TRICARE extends these daily limits. If this occurs, we will limit the number of days that we provide for such Confinement to the lesser of:

(a) the number of days TRICARE pays for such Inpatient treatment during the Fiscal Year; or
(b) 90 Inpatient days per Fiscal Year.

The coverage provided under the Outpatient Benefits of the TRICARE Supplement Plan for:

(a) nervous, mental, and emotional disorders; and
(b) alcoholism and drug addiction;

is limited to $500 during any Fiscal Year for all such disorders.

**TRICARE Cap**

TRICARE will increase its rate of payment to 100% of the TRICARE Allowed Amount when a Covered Person has met the TRICARE Cap. After the TRICARE Cap has been met, we will not duplicate benefits by paying any part of the cost-share which is payable under TRICARE.

**Other Insurance With Us**

If a Covered Person is insured under more than one policy underwritten by us which provides TRICARE Supplement benefits, we will limit our payment of benefits to the one policy that affords the greater level of benefits.

**Non-Duplication of Coverage under Employer Health Program**

If a claim payable under the Policy is also payable under an Employer Health Program with TRICARE as the secondary payor, we will limit our payment to an amount which, when added to the amounts paid by the Employer Health Program and TRICARE, will not exceed 100% of TRICARE Covered Expenses.

## CLAIMS PROVISIONS

**Notice of Claim:** The person who has the right to claim benefits must give us written notice of a claim within 20 days after a covered loss begins. If notice cannot be given within that time, it must be given as soon as reasonably possible. The notice should include your name, the Covered Person's, the Policy Number and this Certificate number. Send it to us or give it to the Plan Administrator.

**Claim Forms:** When we receive the notice of claim, we will send forms to the claimant for giving us proof of loss. The forms will be sent within 15 days after we receive the notice of claim. If the forms are not received, the claimant will satisfy the proof of loss requirement if written proof of the occurrence, character and extent of the loss is sent to us. Claim forms may be obtained from us or the Plan Administrator.

**Proof of Loss:** Proof of loss must be sent to us in writing within 90 days after the end of each month of our liability for periodic payment claims or the date of the loss for all other claims. If the claimant is not able to send it within that time, it may be sent as soon as reasonably possible without affecting the claim. The additional time allowed cannot exceed one year unless the claimant is legally incapacitated.

**Time of Claim Payment:** We will pay any daily, weekly or monthly benefit due:

(a) on a monthly basis, after we receive the proof of loss, while the loss and our liability continue; or
(b) immediately after we receive the proof of loss following the end of our liability.

We will pay any other benefit due immediately after we receive the proof of loss.

**Payment of Claim:** We will pay any benefit due and not assigned, to the Covered Person, if living. Otherwise, we will pay any benefit due for loss which occurred:

(a) prior to the Covered Person's death to the Covered Person's estate; and
(b) after the Covered Person's death to:
    (1) the Covered Persons' spouse if the spouse is covered under the Policy; or, if not
    (2) the person whose loss is the basis of the claim.

If a benefit due is payable to a minor, it will be paid to the minor's guardian.

If a benefit due is payable to the Covered Person's dependent and that dependent dies, it will be paid to the dependent's estate.

If a benefit due is payable to a Covered Person's estate, to a minor, or to a person not competent to give valid release for payment, we may pay up to $1,000 of the benefit due to some other person. The other person will be someone related to the Covered Person by blood or marriage who we believe is entitled to the payment. We will be relieved of further responsibility to the extent of any payment made in good faith.

If the Covered Person provides us with a written release to do so, we may, at our option, pay benefits directly to the institution or person rendering hospital services; or nursing, medical or surgical services, unless the Covered Person or the person to whom the benefit is payable requests otherwise in writing no later than the time proof of loss is filed with us.

"Written release" means any written direction from the Covered Person to pay benefits to the institution or person rendering the service.

We will not require that the service be rendered by a particular institution or person.

**Assignment:** The Covered Person may assign the benefits of the Policy to the institution or person rendering service as allowed in the Payment of Claims provision. The Covered Person may not assign the Policy in any other way or to any other person.

**Physical Examinations:** While a claim is pending we have the right at our expense to have the person who has a loss examined by a physician when and as often as we feel is necessary.

**Legal Actions:** Legal action cannot be taken against us before 60 days following the date proof of loss is sent to us or after 3 years following the date proof of loss is due.

# City of Jacksonville, Florida

*Lenny Curry, Mayor*

Procurement Division
Ed Ball Building
214 N. Hogan Street, Suite 800
Jacksonville, Florida 32202

ONE CITY. ONE JACKSONVILLE

June 21, 2018

180532

The Honorable Lenny Curry, Mayor
City of Jacksonville
4th Floor, St. James Building
Jacksonville, FL 32202

Dear Mayor Curry:

**Ref: P-30-18 SS#6 TRICARE Supplement Plan**
Employee Services Department

The Professional Services Evaluation Committee met today in Board Room 851 on the eighth floor of the Ed Ball Building, for the purpose of certifying a single source, non-competitive purchase of professional services for the above-captioned project.

The following motion/recommendation was **adopted**:

That the City of Jacksonville enter into an agreement with Selman & Company for the provision of the TRICARE Supplement Plan as a voluntary group health insurance plan. The period of service will be from January 1, 2019 through December 31, 2019, with the option to renew for four (4) additional one-year periods, at terms mutually agreeable. The City will not subsidize or incentivize this plan. It will be paid solely by the employees. All other terms and conditions are per the City's standard contract language.

If the foregoing meets your approval, we respectfully request your signature and return to my office.

Respectfully submitted,

Gregory Pease, Chief
Procurement Division
Chairman, Professional Services
Evaluation Committee

APPROVED:

Lenny Curry, Mayor

This 23rd day of June 2018

GP cb

cc Council Auditor
Jeff Clase, OGC
Melba Gray, GAD
Subcommittee Members

Sam E. Mousa
Chief Administrative Officer
For: Mayor Lenny Curry
Under Authority of:
Executive Order No. 2015-05