Trindel Insurance Fund Proposal

Effective Period: 9/1/2014 Through 8/31/2017

Please note all fees are quoted on a per member per month (PMPM) basis unless specified otherwise.

Multi-Year Admin Fee Schedule:

	PMPM
Total Administration Fee for HumanaVitality and LifeSynch Coaching:	**$3.52**

The following services are included in the monthly administration fee:

- LifeSynch - Behavior Change Coaching which includes: Weight Management, Tobacco Cessation, Stress Management, Healthy Eating, Physical Activity, Cholesterol Management, Blood Pressure Management, Blood Sugar (Glucose) Management, Back Care, and Preventative Care.
- Designated implementation and account manager (including quarterly onsite meetings)
- Health Risk Assessment (HRA)
- Maintenance of the web portal and content
- Incentive design, management and fulfillment (Vitality Rewards)
- Cost of rewards provided by the HumanaVitality Jackpot
- Standard electronic communication materials, including pre-launch materials
- Call center administration and management
- Standard employee and employer reporting
- Support for the HumanaVitality Champ program
- Data feeds accommodating eligibility and partner network fitness centers
- Broad suite of online health improvement programs including calculators, campaigns, conversations and courses
- Downloadable self-submitted activity forms available for submission of all preventive activities
- Onsite employee education trainer days to support program launch

	PMPM
***HumanaVitality HealthyFood (Optional Buy-up program):**	**$0.33**
Broker Commissions (Included in the HumanaVitality Administration Fee):	**$0.34**
	PMPM
Total Administration Fee for HumanaVitality, LifeSynch Coaching, and Vitality HealthyFood:	**$3.85**

	PMPM
Vitality Bucks Estimated Average (Billed Monthly):	**$1.71**

*The Vitality Bucks average payment of $1.71 PMPM is an estimation. Actual rewards payment will be calculated monthly based on actual results.

Caveats:

*The HumanaVitality Administration Fee doesn't include the cost for biometric testing.
*Fees apply to all eligible lives offered the program.
*Custom reporting can be provided for $150 per hour
*Additional fees apply for customized materials, printing, and mailing
*For groups with over 3,000 eligible, custom data feeds will be reviewed on a case by case basis and may be subject to an additional charge.

Trindel Insurance Fund Savings Model

Humana Vitality

	2014	2015	2016	3 Year Total
Administration Fee	$ 133,844	$ 133,844	$ 133,844	$ 401,533
Vitality Bucks Costs	$ 65,048	$ 79,123	$ 95,100	$ 239,272
Total Estimated HumanaVitality Costs	$ 198,893	$ 212,968	$ 228,944	$ 640,805
Projected Claim Costs before HumanaVitality	$ 9,129,600	$ 9,951,264	$ 10,846,878	$ 29,927,742
Estimated Claim Savings (% of Claims)	0.0%	2.1%	3.0%	1.8%
Estimated Claim Savings	$ -	$ 206,660	$ 323,810	$ 530,470
Estimated Indirect Savings	$ 301,277	$ 619,979	$ 971,430	$ 1,892,686
Total Estimated Savings (Net) of Claims	$ (198,893)	$ (6,308)	$ 94,866	$ (110,335)
Total Estimated Savings (Net) of Claims & Indirect	$ 102,384	$ 613,671	$ 1,066,296	$ 1,782,351
Optional Premium Contribution Savings	$ -	$ -	$ -	$ -
Total Estimated Savings (Net) Claims & Indirect + Contribution	$ 102,384	$ 613,671	$ 1,066,296	$ 1,782,351

Projections based upon Vitality International experience for similar size group with average healthcare costs of $300 pmpm, an estimated 9.0% annual trend without Vitality, and an average annual salary of $40,000

Projections do not illustrate the cost or savings of HumanaVitality HealthyFood