



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: A-18-868

September 11, 2018

Introduced: 8/29/2018

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 4 to Agreement No. A-13188 between the County of Monterey and UNUM changing the Scope of Service to have UNUM offer a fully-insured employee-paid short-term disability buy-up supplemental plan; and
- b. Authorize the Contracts/Purchasing Officer to sign future amendments to the agreement where the amendments do not significantly change the scope of work or cause an increase in the agreement rates to a total of more than ten percent (10%).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 4 to Agreement No. A-13188 between the County of Monterey and UNUM changing the Scope of Service to have UNUM offer a fully-insured employee-paid short-term disability buy-up supplemental plan; and
- b. Authorize the Contracts/Purchasing Officer to sign future amendments to the agreement where the amendments do not significantly change the scope of work or cause an increase in the agreement rates to a total of more than ten percent (10%).

SUMMARY/DISCUSSION:

On June 21, 2016, the Board of Supervisors approved Agreement No. A-13188 between the County of Monterey and UNUM to provide administration of the self-funded short-term disability advice-to-pay services, fully insured employer-paid long-term disability (LTD) benefits, and fully insured voluntary employee-paid LTD benefits with the option to extend the agreement by mutual consent of the parties. The Contracts/Purchasing Officer was also authorized by the Board to sign future amendments to the agreement. This Agreement has been amended three (3) times with the latest amendment extending the term through and including June 30, 2020 and changing the short-term disability plan from self-insured (claims funded by the County) to fully-insured (claims funded by the Contractor).

The Human Resources Department is now requesting that the Scope of Service be amended to have UNUM offer an employee-paid buy-up short-term disability supplemental plan. Currently units D, E, G, L, O, X, XL, & Y are provided an employer funded benefit at 66.667% of weekly income to a maximum of \$925 per week. The buy-up plan, which would be employee funded, is designed to increase the maximum benefit by \$575 per week to \$1,500 and decrease the current waiting period from 28 to 7 days.

Approval of the recommended actions will enable the County to offer a great short-term buy-up supplemental plan to eligible management units D, E, G, L, O, X, XL, & Y employees and will be contingent upon maintaining a 25% participation level at which UNUM contractually will determine to continue offering the plan to the County.

OTHER AGENCY INVOLVEMENT:

The offices of the County Counsel and Auditor-Controller have reviewed and approved Amendment No. 4 as to form and legality and fiscal provisions, respectively.

FINANCING:

The cost associated with the buy-up supplemental plan will not incur any new costs to the County since it will be fully employee funded.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The proposed recommended actions support the Board of Supervisors' Administration Strategic Initiative. The recommended actions will make available a new buy-up supplemental plan, which will support the County's commitment to provide quality benefits to employees to meet the Board's strategic initiative by attracting, recruiting, and retaining a diverse and talented work force that supports the mission of the County of Monterey.

☐ Economic Development
☒ Administration
☐ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: Jose Tapia, Finance Manager, Ext. 5268

Approved by: Irma Ramirez-Bough, Director of Human Resources, Ext. 5043



Attachments:

Amendment No. 4 to Agreement No. A-13188
Amendment No. 3 to Agreement No. A-13188
Amendment No. 2 to Agreement No. A-13188
Amendment No. 1 to Agreement No. A-13188
Agreement No. 13188

AMENDMENT NO. 4 TO AGREEMENT NO. A-13188 BY AND BETWEEN COUNTY OF MONTEREY AND UNUM

THIS AMENDMENT is made to the PROFESSIONAL SERVICES AGREEMENT for the provision of disability insurance by and between UNUM, hereinafter "CONTRACTOR," and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to add additional services.

NOW THEREFORE, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. **Section 1.0 – "PERFORMANCE OF THE AGREEMENT," paragraph 1.1 shall be amended to delete the last sentence** "The component parts of this AGREEMENT include the following:
 - Proposed Fully-Insured Short Term Disability Base Plan (See Exhibits A-1 & B-2)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibits A-1 & B-2)
 - Certificate of Liability Insurance, renewed every year (See Exhibit C)"**and replaced it with** "The component parts of this AGREEMENT include the following:
 - Proposed Fully-Insured Short Term Disability Base Plan (See Exhibits A-2 & B-3)
 - Proposed Fully-Insured Short Term Disability Buy-up Supplemental Plan (See Exhibits A-2 & B-3)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibits A-2 & B-3)
 - Certificate of Liability Insurance, renewed every year (See Exhibit C)".
2. **Section 3.0 – "SCOPE OF SERVICE," paragraph 3.1 shall be amended by removing** "CONTRACTOR shall provide a fully-insured employer-paid short-term disability plan for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS." **and replacing it with** "CONTRACTOR shall provide a fully-insured employer-paid short-term disability plan and a fully-insured voluntary employee-paid short-term disability buy-up supplemental plan for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS."
3. **EXHIBIT A-1, Supplemental Agreements**, to the Agreement is hereby deleted and replaced in its entirety by EXHIBIT A-2 attached hereto.
4. **EXHIBIT B-2, COST**, to the Agreement is hereby deleted and replaced in its entirety by EXHIBIT B-3 attached hereto.

5. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
6. A copy of this AMENDMENT shall be attached to the original AGREEMENT signed and dated by the County Contracts/Purchasing Officer on June 27, 2016.

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IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY

Contracts/Purchasing Officer

Dated: _____

Approved as to Fiscal Provisions:

Deputy Auditor/Controller

Dated: _____

Approved as to Liability Provisions:

Risk Management

Dated: _____

Approved as to Form:

Deputy County Counsel

Dated: _____

CONTRACTOR

By: Kuren Stein / [Signature]
Signature of Chair, President, or
Vice-President

VP Benefits
Kuren Stein
Printed Name and Title

Dated: 8/20/18

By: _____

(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

Printed Name and Title

Dated: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT A-2 – Supplemental Agreements

SUPPLEMENT # 1 – Proposed Fully-Insured Short Term Disability Base Plan as reflected on Attachment No. 1 attached hereto. [Unchanged]

SUPPLEMENT # 2 – Proposed Fully-Insured Short Term Disability Buy-up Supplemental Plan as reflected on Attachment No. 2 attached hereto.

SUPPLEMENT # 3 – Employer-paid Fully-Insured Basic Long-Term Disability Agreement, Policy Number 101698001, effective 2/1/1995, drafted 11/1/2012, and including Amendment No. 12 dated 11/1/2012. [Unchanged]

SUPPLEMENT # 4 – Employee-paid Fully-Insured Voluntary Long-Term Disability Agreement, Policy Number 292871, effective 10/1/1993, and including Amendment No. 2 dated 10/7/1999. [Unchanged]

Attachment No. 1



County of Monterey

Proposed Fully-Insured Short Term Disability Base Plan:

	All Eligible Management Employees
Benefit Percent	66 2/3 %
Weekly Maximum	\$925
Elimination Period/Accident	28 days
Elimination Period/Sickness	28 days
Duration	52 weeks
Definition of Disability	Total
Contributory Status	Employer funded
Full Maternity	Yes
Pre-Existing Conditions	None
Coverage Type	Non-occupational
Benefit Option	Fully Insured
Claim Fiduciary	Yes

Rate & Cost Summary

Current Eligible	643
Rate	0.26 per \$10 of weekly benefit
Base Volume	589,749*
Annual Cost	\$184,002

* Approximate Volume

Attachment No. 2



County of Monterey

Proposed Fully-Insured Short Term Disability Buy-up Supplemental Plan:

Benefit Percent	66 2/3 %
Weekly Maximum	\$1,500
Elimination Period/Accident	7 days
Elimination Period/Sickness	7 days
Duration	52 weeks
Definition of Disability	Total
Contributory Status	Employee funded
Full Maternity	Yes
Pre-Existing Conditions	None
Coverage Type	Non-occupational
Benefit Option	Fully Insured
Claim Fiduciary	Yes

Rate & Cost Summary

Rate	0.351 per \$10 of weekly benefit
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* Minimum participation is 25% and cost will be based on participation.

EXHIBIT B-3 - COST

All Fees and Premiums are guaranteed from January 1, 2018 to June 30, 2020.

Employer-Paid Fully-Insured Short-Term Disability Base Plan

- \$0.26 per \$10 of weekly benefit

Employer-Paid Fully-Insured Basic Long-Term Disability

- 0.38% of covered payroll

Employee-Paid Fully-Insured Voluntary Short-Term Disability Buy-up Supplemental Plan

- \$0.351 per \$10 of weekly benefit

Employee-Paid Fully-Insured Voluntary Long-Term Disability

- Age-Rated as follows:

Age	Rate (as a % of Covered Payroll)
Up to 24	0.28
25 – 29	0.32
30 – 34	0.39
35 – 39	0.53
40 – 44	0.77
45 – 49	1.11
50 – 54	1.65
55 – 59	1.98
60 – 99	2.22

AMENDMENT NO. 3 TO AGREEMENT NO. A-13188 BY AND BETWEEN COUNTY OF MONTEREY AND UNUM

THIS AMENDMENT is made to the PROFESSIONAL SERVICES AGREEMENT for the provision of disability insurance by and between UNUM, hereinafter "CONTRACTOR," and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to add additional services and to extend the term of the AGREEMENT.

NOW THEREFORE, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:


1. **Section 1.0 – "PERFORMANCE OF THE AGREEMENT," paragraph 1.1 shall be amended to delete the last sentence "The component parts of this AGREEMENT include the following:**
 - Self-Funded Short Term Disability Advice-to-Pay SUPPLEMENTAL AGREEMENT (See Exhibit A & B-1)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibit A & B-1)
 - Certificate of Liability Insurance (See Exhibit C)"**and replacing it with "The component parts of this AGREEMENT include the following:**
 - Proposed Fully-Insured Short Term Disability Base Plan (See Exhibits A-1 & B-2)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibits A-1 & B-2)
 - Certificate of Liability Insurance, renewed every year (See Exhibit C)".
2. **Section 3.0 – "SCOPE OF SERVICE," paragraph 3.1 shall be amended by removing "CONTRACTOR shall provide for and administer Self-Funded Short Term Disability Advice to pay services for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS." and replacing it with "CONTRACTOR shall provide a fully-insured employer-paid short-term disability plan for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS."**
3. **Section 4.0 – "TERM OF AGREEMENT," paragraph 4.1 shall be amended by removing "The term shall commence February 1, 2015 through and including January 31, 2019, with the option to extend the AGREEMENT upon mutual consent. County is not required to state a reason if it elects not to renew this AGREEMENT." and replacing it with "The term shall commence February 1, 2015 through and including June 30, 2020, with the option to extend the AGREEMENT upon mutual consent. County is not required to state a reason if it elects not to renew this AGREEMENT."**
4. **EXHIBIT A, Supplemental Agreements, to the Agreement is hereby deleted and replaced in its entirety by EXHIBIT A-1 attached hereto.**

5. **EXHIBIT B-1, COST**, to the Agreement is hereby deleted and replaced in its entirety by EXHIBIT B-2 attached hereto.
6. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
7. A copy of this AMENDMENT shall be attached to the original AGREEMENT signed and dated by the County Contracts/Purchasing Officer on June 27, 2016.

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IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY


Contracts/Purchasing Officer

Dated: 3-29-18

Approved as to Fiscal Provisions:


Deputy Auditor/Controller

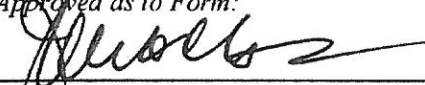
Dated: 3-27-18

Approved as to Liability Provisions:

Risk Management

Dated: _____

Approved as to Form:


Deputy County Counsel

Dated: March 2018

CONTRACTOR

By: 

Signature of Chair, President, or
Vice-President

AYAN AD SADO ATMAL, FUP

Printed Name and Title Karen Stein, VP/Secretary

Dated: 3-20-18

By: _____

(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

Printed Name and Title _____

Dated: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT A-1 – Supplemental Agreements

SUPPLEMENT # 1 – Proposed Fully-Insured Short Term Disability Base Plan as reflected on Attachment No. 1 attached hereto.

SUPPLEMENT # 2 – Employer-paid Fully-Insured Basic Long-Term Disability Agreement, Policy Number 101698001, effective 2/1/1995, drafted 11/1/2012, and including Amendment No. 12 dated 11/1/2012. [Unchanged]

SUPPLEMENT # 3 – Employee-paid Fully-Insured Voluntary Long-Term Disability Agreement, Policy Number 292871, effective 10/1/1993, and including Amendment No. 2 dated 10/7/1999. [Unchanged]

Attachment No. 1



County of Monterey

Proposed Fully-Insured Short Term Disability Base Plan:

	All Eligible Management Employees
Benefit Percent	66 2/3 %
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Full Maternity	Yes
Pre-Existing Conditions	None
Coverage Type	Non-occupational
Benefit Option	Fully Insured
Claim Fiduciary	Yes

Rate & Cost Summary

Current Eligible	643
Rate	0.26 per \$10 of weekly benefit
Base Volume	589,749*
Annual Cost	\$184,002

* Approximate Volume

EXHIBIT B-2 - COST

All Fees and Premiums are guaranteed from January 1, 2018 to June 30, 2020.

Employer-Paid Fully-Insured Short-Term Disability Base Plan

- \$0.26 per \$10 of weekly benefit

Employer-Paid Fully-Insured Basic Long-Term Disability

- 0.38% of covered payroll

Employee-Paid Fully-Insured Voluntary Long-Term Disability

- Age-Rated as follows:

Age	Rate (as a % of Covered Payroll)
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35 – 39	0.53
40 – 44	0.77
45 – 49	1.11
50 – 54	1.65
55 – 59	1.98
60 – 99	2.22

AMENDMENT NO. 2 TO AGREEMENT NO. A-13188 BY AND BETWEEN COUNTY OF MONTEREY AND UNUM

THIS AMENDMENT is made to the PROFESSIONAL SERVICES AGREEMENT for the provision of disability insurance by and between UNUM, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to reflect the County's exercise of the option to extend for one (1) additional year.

NOW THEREFORE, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. **Section 4, "TERM OF AGREEMENT", shall be amended by removing** "The term shall commence February 1, 2015, through and including January 31, 2018, with the option to extend the AGREEMENT for two (2) additional, one (1) year periods upon mutual written consent. The County is not required to state a reason if it elects not to renew in future periods." **and replacing it with** "The term shall commence February 1, 2015 through and including January 31, 2019, with the option to extend the AGREEMENT upon mutual consent. County is not required to state a reason if it elects not to renew this AGREEMENT."
2. **EXHIBIT B-1 – COST to the Agreement shall be amended by removing** "All Fees and Premiums are guaranteed for 12 months from 2/1/2017 – 1/31/2018." **and replacing it with** "All Fees and Premiums are guaranteed for 24 months from 2/1/17 – 1/31/19."
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of this AMENDMENT shall be attached to the original AGREEMENT signed and dated by the County Contracts/Purchasing Officer on June 27, 2016.

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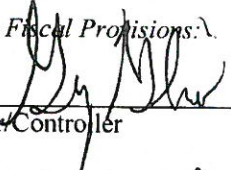
IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY


Contracts/Purchasing Officer

Dated: 10-30-17

Approved as to Fiscal Provisions:


Deputy Auditor/Controller

Dated: 10-27-17

Approved as to Liability Provisions:

Risk Management

Dated:

Approved as to Form:


Deputy County Counsel

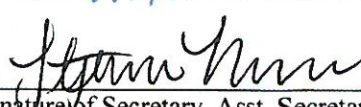
Dated: October 25, 2017

CONTRACTOR

By: 
Signature of Chair, President, or
Vice-President

TS Gonzalez Managing Director
Printed Name and Title

Dated: 10/17/17

By: 
(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

Stephanie Menehaca Client Manager
Printed Name and Title

Dated: 10/17/17

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

**RENEWAL AND AMENDMENT #1
TO AGREEMENT No. A-13188 BY AND BETWEEN
COUNTY OF MONTEREY AND UNUM**

THIS RENEWAL AND AMENDMENT NO. 1 is made to the Agreement for DISABILITY INSURANCE by and between UNUM, hereinafter "Contractor", and the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter referred to as "COUNTY",

WHEREAS, the parties entered into the AGREEMENT for the provision by the CONTRACTOR of disability insurance; and

WHEREAS, the Agreement expired by its terms on January 31, 2017; and

WHEREAS, the COUNTY and CONTRACTOR wish to renew the AGREEMENT retroactive to February 1, 2017; and

WHEREAS, the COUNTY and CONTRACTOR wish to amend the AGREEMENT to extend the term of the AGREEMENT and incorporate updated cost provisions in accordance with the insurance policy terms; and

NOW THEREFORE, the County and CONTRACTOR hereby agree as follows:


1. "TERM OF AGREEMENT", shall be amended by removing "The initial term shall commence February 1, 2015 through and including January 31, 2017 (2 years), with the option to extend the AGREEMENT upon mutual consent, County is not required to state a reason if it elects not to renew this AGREEMENT.", and replacing it with "The term shall commence February 1, 2015, through and including January 31, 2018, with the option to extend the AGREEMENT for two (2) additional, one (1) year periods upon mutual written consent. The County is not required to state a reason if it elects not to renew in future periods.
2. "1.0 PERFORMANCE OF THE AGREEMENT" shall be amended to delete the last sentence "The component parts of this AGREEMENT include the following:
 - Self-Funded Short Term Disability Advice-to-Pay SUPPLEMENTAL AGREEMENT (See Exhibit A & B)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibit A & B)
 - Certificate of Liability Insurance (See Exhibit C)",and replacing it with "The component parts of this AGREEMENT include the following:
 - Self-Funded Short Term Disability Advice-to-Pay SUPPLEMENTAL AGREEMENT (See Exhibit A & B-1)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibit A & B-1)
 - Certificate of Liability Insurance (See Exhibit C)".

3. EXHIBIT B – COST to the Agreement is hereby deleted and replaced in its entirety and attached hereto as EXHIBIT B-1.
4. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
5. A copy of this RENEWAL AND AMENDMENT NO. 1 shall be attached to the original AGREEMENT executed by the County on June 21, 2016.

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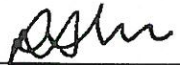
IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY


Contracts/Purchasing Officer

Dated: 4-3-17

Approved as to Fiscal Provisions:


Deputy Auditor/Controller

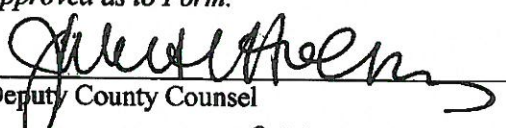
Dated: 3/8/17

Approved as to Liability Provisions:

Risk Management

Dated: _____

Approved as to Form:


Deputy County Counsel

Dated: 2-8-2017

CONTRACTOR

By: 
Signature of Chair, President, or
Vice-President

T.J. GUDINSON Managing Director
Printed Name and Title

Dated: 2/9/17

By: 
(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

THOMAS RYAN Director of M&A
Printed Name and Title

Dated: 2-23-17

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13188

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

- a. Approved and authorized the Contracts and Purchasing Officer to sign an agreement with UNUM to provide for and administer County employees' self-funded short term disability advice to pay services; provide fully-insured employer paid long term disability benefits and provide fully-insured voluntary employee paid long term disability benefits with the initial agreement terms commencing retroactive to February 1, 2015 through January 31, 2017, with the option to extend the agreement upon mutual consent; and
- b. Authorized the Contracts and Purchasing Officer to sign future amendments to the agreement where the amendments do not significantly change the scope of work or cause an increase in the agreement rates amounting to a total of more than ten percent (10%) of the aggregate total of the contract.

PASSED AND ADOPTED on this 21st day of June 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Salinas, Parker and Potter

NOES: None

ABSENT: Supervisor Phillips

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on June 21, 2016.

Dated: June 23, 2016
File ID: 16-711
Corrected: June 27, 2016

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

AGREEMENT TO PROVIDE DISABILITY INSURANCE FOR THE COUNTY OF MONTEREY

This AGREEMENT is made and entered into by and between the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County", and UNUM, hereinafter referred to as "CONTRACTOR."

RECITALS

- A. WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, County and CONTRACTOR, for the consideration hereinafter named, agree as follows:

1.0 PERFORMANCE OF THE AGREEMENT

- 1.1 After consideration and evaluation, the County hereby engages CONTRACTOR to provide the services set forth in this AGREEMENT on the terms and conditions contained herein. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:
- Self-Funded Short Term Disability Advice-to-Pay SUPPLEMENTAL AGREEMENT (See Exhibit A & B)
 - Employer Paid Long Term Disability SUPPLEMENTAL AGREEMENT (See Exhibit A & B)
 - Certificate of Liability Insurance (See Exhibit C)
- 1.2 All of the above-referenced contract documents are intended to be complementary. Work required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the contract documents shall be construed in the following order: AGREEMENT, General Requirements and General Provisions, Certificate of Insurance, and Additional Insured Endorsements.
- 1.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing and regulatory requirements.

2.0 DEFINITIONS

- 2.1 NON-CONTRIBUTORY INSURANCE means insurance for which the Employee is not responsible for any part of the cost. Premium is paid in full by the County.
- 2.2 CONTRIBUTORY INSURANCE means insurance for which the Employee is responsible for all or part of the cost.
- 2.3 COVERED MEMBER is an active employee of the County working a minimum of 20 hours per week, to include seasonal employees in active status, eligible for and participating in group policy. COVERED MEMBER does not include leased employee, independent contractor, or full-time member of the armed service of any country.
- 2.4 ANNUAL EARNINGS means the rate of earnings from the County for a COVERED MEMBER. Annual Earnings will be based on earnings in effect on the COVERED MEMBER's last full day of active work and includes contributions made through salary reduction agreement with the County to an IRS Section 401(k), 403(b), 408(k), or 457 deferred compensation arrangement or an executive non-qualified deferred compensation arrangement; commissions averaged over the earnings period or employment period, if less than the earnings period; shift differential pay; and amounts contributed to the fringe benefits of a COVERED MEMBER according to a salary reduction agreement under an IRS Section 125 plan. ANNUAL EARNINGS do not include bonuses, overtime pay, or stock options or stock bonuses.
- 2.5 DEPENDENT CHILD means the unmarried child from live birth through age 20, or through age 24 if a registered student is in full time attendance at an accredited educational institution); or an unmarried child who meets either of the following requirements:
- a. The child is insured under the Group Policy and, on and after the date on which insurance would otherwise end because of the child's age, is continuously disabled.
 - b. The child was insured under the prior plan on the day before the effective date of the County's coverage under the group policy and was disabled on that day, and is continuously disabled thereafter.
- 2.5.1 Child includes any of the following, if they otherwise meet the definition of child: adopted child; or stepchild and the child of the spouse of the COVERED MEMBER, if living in the home of the COVERED MEMBER.
- 2.5.2 Child is Disabled if continuously incapable of self-sustaining employment because of mental retardation or physical handicap and is chiefly dependent on COVERED MEMBER for support and maintenance, or institutionalized because of mental retardation or physical handicap.
- 2.6 SPOUSE means a person to whom the COVERED MEMBER is legally married; or the Registered Same Sex, or Opposite Sex if one party is over age 62, Domestic Partner.

Domestic Partner means that an Affidavit of Declaration of Domestic Partnership has been completed, submitted to the County, and filed for public record as required by law.

2.6.1 Spouse excludes person from whom COVERED MEMBER is divorced or has terminated a Domestic Partnership agreement and full-time members of the armed forces of any country.

3.0 SCOPE OF SERVICE

- 3.1 CONTRACTOR shall provide for and administer Self-Funded Short Term Disability Advice to pay services for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS.
- 3.2 CONTRACTOR shall provide fully-insured Employer Paid LTD benefits for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS.
- 3.3 CONTRACTOR shall provide fully-insured Voluntary Employee Paid LTD benefits for eligible County of Monterey employees, hereafter referred to as COVERED MEMBERS, as described in the attached SUPPLEMENTAL AGREEMENTS.
- 3.4 CONTRACTOR shall provide certificates to each COVERED MEMBER. The certificate will state the insurance protection to which the COVERED MEMBER is entitled and to whom the benefits will be paid. The certificate will set forth the provisions of the Policy which mainly affect the COVERED MEMBER. The word 'certificate' includes riders and supplements to the certificate, if any.
- 3.5 CONTRACTOR shall maintain records which relate to the insurance. Such records will include: the names and ages of all COVERED MEMBERS; the amounts of insurance in force on each COVERED MEMBER; the effective date of each COVERED MEMBER's insurance; the effective date of any change in an amount of a COVERED MEMBER's insurance.
 - 3.5.1 The records may, upon written agreement of both parties, be maintained by the County.
- 3.6 CONTRACTOR shall provide a dedicated account team for the administration of the Policy.
- 3.7 The County and COVERED MEMBERS shall furnish CONTRACTOR all of the information which CONTRACTOR may reasonably require with regard to the matters which relate to the insurance. The County will allow CONTRACTOR to inspect all documents, books and records of the COVERED MEMBER which relate to the insurance or to the premium.

- 3.8 CONTRACTOR shall provide quarterly Experience Reports. All reports will be made available more frequently if requested at no additional cost to the County.
- 3.9 Additional scope of service details are provided in the attached SUPPLEMENTAL AGREEMENTS for each type of coverage.

4.0 TERM OF AGREEMENT

- 4.1 The initial term shall commence February 1, 2015 through and including January 31, 2017 (2 years), with the option to extend the AGREEMENT upon mutual consent, County is not required to state a reason if it elects not to renew this AGREEMENT.
- 4.2 If County exercises its option to extend, all applicable parties shall mutually agree upon the extension, including any changes in rate and/or terms and conditions.
- 4.3 County reserves the right to cancel the AGREEMENT, or any extension of the AGREEMENT, without cause, with a thirty (30) day written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

- 5.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the attached SUPPLEMENTAL AGREEMENTS (See Exhibits A and B).
 - 5.1.1 The County determines the amount, if any, of each COVERED MEMBER'S contribution toward the cost of insurance under the GROUP POLICY.
 - 5.1.2 County does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.
- 5.2 Premium rates shall remain firm for the initial term of this AGREEMENT except as noted in this paragraph. CONTRACTOR may change premium rates when: A change or clarification in law or governmental regulation affects the amount payable under the GROUP POLICY. Any such change in Premium Rates will reflect only the change in CONTRACTOR'S obligations; OR, there is a change in the terms of this Policy; OR, Factors material to underwriting the risk CONTRACTOR assumed under the GROUP POLICY, including but not limited to, number of persons insured, age, Annual Earnings, gender and occupational classification, change by 10% or more; OR CONTRACTOR and County mutually agree to change Premium Rates.
- 5.3 Premium payments are due to CONTRACTOR on the first (1st) of each month. Payment of full premium due by due date will maintain the GROUP POLICY in force until the next Premium Due Date.

- 5.3.1 If a premium is not paid on or before the Premium Due Date, it may be paid during the following thirty-one (31) day GRACE PERIOD. The GROUP POLICY will remain in effect during the GRACE PERIOD.
- 5.3.2 If the premium is not paid during the GRACE PERIOD, the GROUP POLICY will terminate automatically at the end of the GRACE PERIOD.
- 5.3 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of this AGREEMENT or any renewal thereof.
- 5.4 CONTRACTOR shall levy no additional fees or surcharges of any kind during the term of this AGREEMENT without first obtaining approval from County in writing.
- 5.5 Tax:
 - 4.6.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.
 - 4.6.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

6.0 INVOICES AND PURCHASE ORDERS

- 6.1 The CONTRACTOR will bill monthly and submit a request for payment, with supporting documentation, to the County of Monterey, Attention: County Auditor-Controller.
- 6.2 The CONTRACTOR shall submit requests for payment to the County Auditor-Controller. The CONTRACTOR shall submit such requests for payment periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The request for payment shall set forth an itemized basis for the amounts claimed, and such other information pertinent to the request. CONTRACTOR shall certify the request either in the requested amount or in such other amount as County approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
- 6.3 All County of Monterey Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).
- 6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by County. Surcharges and additional fees not included the AGREEMENT must be approved by County in writing via an Amendment.

7.0 INDEMNIFICATION

- 7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

8.0 INSURANCE REQUIREMENTS

8.1 Evidence of Coverage:

- 8.1.1 Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.
- 8.1.2 This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and such, insurance has been approved by County. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.
- 8.1.3 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by County's Purchasing Officer.

8.2 Insurance Coverage Requirements:

- 8.2.1 Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

- 8.2.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
- 8.2.2 Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
- 8.2.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.
- 8.2.4 Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.

8.3 Other Insurance Requirements:

- 8.3.1 All insurance required by this AGREEMENT shall be with a company acceptable to County and issued and executed by an insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.
- 8.3.2 Each liability policy shall provide that County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage

for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

- 8.3.3 Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.
- 8.3.4 Prior to the execution of this AGREEMENT by County, CONTRACTOR shall file certificates of insurance with County's contract administrator and County's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.
- 8.3.5 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County, at its sole discretion, to terminate this AGREEMENT immediately.

9.0 RECORDS AND CONFIDENTIALITY

- 9.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this AGREEMENT, unless County specifically permits CONTRACTOR to disclose such records or information.

CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

- 9.2 County Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this AGREEMENT.
- 9.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this AGREEMENT. All claims records shall be retained by CONTRACTOR for seven (7) years.
- 9.4 Access to, and Audit of, Records: County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. Pursuant to Government Code section 8546.7, if this AGREEMENT involves the expenditure of public funds in excess of \$10,000, the parties to this AGREEMENT may be subject, at the request of County or as part of any audit of County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.
- 9.5 CONTRACTOR shall permit audits at their location of business by an agreed upon third party (non-competitor). Prior to the audit, a discussion between parties will be held to determine the desired process, as well as staff time that may be required. Any charge for time based on the request of the third party shall be discussed and terms agreed to by County of Monterey and CONTRACTOR prior to any on-site visit. Any independent audit specifically requested by policyholder, involving the examination of actual claim documents, will require signed authorizations from each claimant whose file is to be reviewed to preserve the confidentiality rights of the insured. As an alternative, the County of Monterey may request that the audit be performed by the CONTRACTOR. The County of Monterey may conduct an audit at the Home Office of the CONTRACTOR subject to the laws regarding the release of such information. On demand, CONTRACTOR shall provide information to County of Monterey related to claim experience and duration and a listing of claims by SIC code and social security states.

10.0 NON-DISCRIMINATION

- 10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall

ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code, §12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285.0, et seq.).

- 10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.
- 10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all AGREEMENTs with subcontractors to perform work under the contract.

11.0 INDEPENDENT CONTRACTOR

- 11.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.
- 11.2 Non-Assignment: CONTRACTOR shall not assign this contract without the prior written consent of the County.

12.0 CONFLICT OF INTEREST

CONTRACTOR covenants that CONTRACTOR, its responsible officers, and its employees having major responsibilities for the performance of work under the AGREEMENT, presently have no interest and during the term of this AGREEMENT will not acquire any interests, direct or indirect, which might conflict in any manner or degree with the performance of CONTRACTOR'S services under this AGREEMENT.

13.0 COMPLIANCE WITH APPLICABLE LAWS

- 13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws, that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT.

CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

- 13.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.
- 13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

14.0 LEGAL DISPUTES

- 14.1 CONTRACTOR agrees that this AGREEMENT, and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
- 14.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.
- 14.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.
- 14.4 County shall promptly give CONTRACTOR written notice of any lawsuit of which County becomes aware arising under the GROUP POLICY.

COUNTY Signature

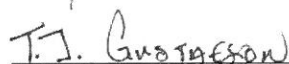
Printed Name

Title

Date



CONTRACTOR Signature



Printed Name



Title



Date

15.0 NOTICES

15.0 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to County's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

Notices mailed or faxed to the parties shall be addressed as follows:

TO COUNTY:

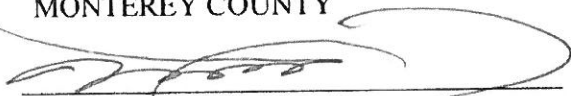
Mike, Derr, Contracts/Purchasing Officer
County of Monterey, Contracts/Purchasing
1488 Schilling Place
Salinas, CA 93901
Tel. No.: (831) 755-4992
FAX No.: (831) 755-4969
Email: DerrM@co.monterey.ca.us

TO CONTRACTOR:

Name, Title
UNUM
Address
City, State Zip
Tel. No.:
FAX No.:
Email: name@unum.com

IN WITNESS WHEREOF, the County and CONTRACTOR execute this AGREEMENT as follows:

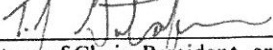
MONTEREY COUNTY


Contracts/Purchasing Officer

Dated: 6-27-16

Approved as to Fiscal Provisions:

CONTRACTOR

By: 
Signature of Chair, President, or
Vice-President

T.J. Grotz MANAGING DIRECTOR
Printed Name and Title

Dated: 6/9/16

Auditor/Controller

Dated:

Approved as to Liability Provisions:

Risk Management

Dated:

Approved as to Form:

Assistant County Counsel


Dated:

By: TJ AH

(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

T.J. Gustafson Managing Director
Printed Name and Title

Dated: 6/9/16



Auditor/Controller

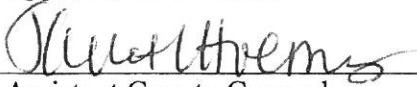
Dated: 6/9/16

Approved as to Liability Provisions:

Risk Management

Dated: _____

Approved as to Form:



Assistant County Counsel

Dated: June 9, 2016

By: _____

(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

Printed Name and Title

Dated: _____

EXHIBIT A – Supplemental Agreements

SUPPLEMENT #1 – Self-funded Advice to Pay Agreement SI No. 516615-1001, signed 11-10-1997 (pg. 16), inclusive of the 12 page Summary Plan Description and the following correction:

- SPD page 2 restated to be Amount of Coverage: 66.67% of basic weekly earnings to a maximum of \$4,000.00 per *month* (replacing per *week*)

SUPPLEMENT #2 – Employer-paid Fully-Insured Basic Long-Term Disability Agreement, Policy Number 101698001, effective 2/1/1995, drafted 11/1/2012, and including Amendment No. 12 dated 11/1/2012.

SUPPLEMENT #3 – Employee-paid Fully-Insured Voluntary Long-Term Disability Agreement, Policy Number 292871, effective 10/1/1993, and including Amendment No. 2 dated 10/7/1999.

EXHIBIT B – COST

All Fees and Premiums are guaranteed for 24 months from 2/1/2015 – 1/31/2017.

Self-Funded Short-Term Disability Advice to Pay Services

- Monthly retainer: \$503.00 / month
- Initial claim adjudication: \$310.00 / claim
- Ongoing claim adjudication: \$149.00 / claim

Employer-Paid Fully-Insured Basic Long-Term Disability

- 0.38% of Covered Payroll

Employee-Paid Fully-Insured Voluntary Long-Term Disability

- Age-Rated as follows:

Age	Rate (as a % of Covered Payroll)
15-24	0.05
25-29	0.10
30-34	0.20
35-39	0.37
40-44	0.52
45-49	0.68
50-54	0.68
55-59	0.71
60-64	0.72
65-69	0.44
70+	0.39

EXHIBIT C



CERTIFICATE OF LIABILITY INSURANCE

UNUMGRO-01

SONARPM

DATE (MM/DD/YYYY)

4/5/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of New York, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 37230-5191		CONTACT NAME: Willis Towers Watson Certificate Center PHONE (A/C, No, Ext): (877) 945-7378 FAX (A/C, No): (888) 467-2378 E-MAIL ADDRESS: certificates@willis.com	
INSURED Unum Group Attn: Elizabeth Cobb 1 Fountain Square Mail Stop 6N660 Chattanooga, TN 37402		INSURER(S) AFFORDING COVERAGE INSURER A: Travelers Property Casualty Insurance Company NAIC # 36161 INSURER B: Travelers Property Casualty Company of America 25674 INSURER C: National Union Fire Insurance Company of Pittsburgh 19445 INSURER D: Charter Oak Fire Insurance Company 25615 INSURER E: INSURER F:	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		TC2JGLSA-9526B29-9-15	12/31/2015	12/31/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		TJCAP-9526B28-7-15	12/31/2015	12/31/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0		BE 041569776	12/31/2015	12/31/2016	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	TC2OUB-9525B90-0-15	12/31/2015	12/31/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Workers Compensation		TRJUB-9526B27-5-15	12/31/2015	12/31/2016	See Attached

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

County of Monterey Contracts-Purchasing
1488 Schillings Pl
Salinas CA 93901

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

County of Monterey
Attn: Paulette Clark

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ADDITIONAL COVERAGE SCHEDULE

COVERAGE	LIMITS
POLICY TYPE: Workers Compensation & Employers Liability CARRIER: Travelers Property Casualty Insurance Company POLICY TERM: 12/31/2015 - 12/31/2016 POLICY NUMBER: TRJUB-9526B27-5-15	WC - Per Statute E.L. Each Accident: \$1,000,000 E.L. Disease-Each Employee:\$1,000,000 E.L. Disease-Policy Limit: \$1,000,000