

City of Racine

Total Group

12/14/2009

1/1/2010-12/31/2010

CARRIER:	Sun Life Current	Sun Life Renewal \$200k	Revised	SLG
ENROLLMENT: SINGLE FAMILY	449 1118	449 1118	449 1118	449 1118
SPECIFIC STOP LOSS LEVEL: CONTRACT TYPE COVERAGE:	\$200,000 24/12 Med/Rx	\$200,000 24/12 Med/Rx	\$200,000 24/12 Med/Rx	\$200,000 24/12 Med/Rx
SINGLE:	\$17.06	\$19.96	\$18.60	\$18.59
FAMILY:	\$45.69	\$53.46	\$49.80	\$45.00
MONTHLY	\$58,741.36	\$68,730.32	\$64,027.80	\$58,656.91
ANNUAL	\$704,896.32	\$824,763.84	\$768,333.60	\$703,882.92
		17.00%	9.00%	-0.14%
CONTINGENCIES: Lasered Claimants:		Locked In - received updates from UHC.	Locked In - received updates from UHC. 12/1/2009	Final rates - need a check for 1st month.

City of Racine

1/1/2010-12/31/2010

12/14/2009

CARRIER:	Sun Life Current	Sun Life Renewal \$200k	Revised	SLG
ENROLLMENT: SINGLE FAMILY	420 966	420 966	420 966	420 966
SPECIFIC STOP LOSS LEVEL: CONTRACT TYPE COVERAGE:	\$200,000 24/12 Med/Rx	\$200,000 24/12 Med/Rx	\$200,000 24/12 Med/Rx	\$200,000 24/12 Med/Rx
SINGLE:	\$17.06	\$19.96	\$18.60	\$18.59
FAMILY:	\$45.69	\$53.46	\$49.80	\$45.00
MONTHLY	\$51,301.74	\$60,025.56	\$55,918.80	\$51,277.80
ANNUAL	\$615,620.88	\$720,306.72	\$671,025.60	\$615,333.60
		17.00%	9.00%	-0.05%
CONTINGENCIES: Lasered Claimants:		Locked In - received updates from UHC.	Locked In - received updates from UHC. 12/1/2009	Final rates - need a check for 1st month.



Sun Life Assurance Company of Canada
222 South Riverside Plaza
Suite 860
Chicago, IL 60606
Tel: 312-454-9632
Fax: 312-454-0760
Charles_Parker@sunlife.com

December 15, 2009

Caroline Berghammer
The Horton Group
N19W24101 Riverwood Dr.
Waukesha, WI 53188

RE: Group Sponsor Name: City of Racine
 Group Policy Number: 007317
 Renewal Date: January 1, 2010

Dear Ms. Berghammer:

We are pleased to present the enclosed renewal proposal for City of Racine for the policy year ending December 31, 2009.

At Sun Life Assurance Company of Canada, we are dedicated to providing quality coverage in a cost-effective manner. The Specific rates noted in the attached renewal proposal reflect market conditions, deductible leveraged trend, plan design, and the current distribution of employees, by age, gender and work location.

Please let us know whether City of Racine accepts the renewal or would like to select an alternative renewal, by signing and dating the renewal forms. You can return the form to me by mail or by fax.

It has been our pleasure to serve City of Racine and we look forward to continuing our relationship. Our mission is to understand our customers needs and deliver the products and services to meet those needs. Please call me with any questions.

Sincerely,

Chad Parker
Sr. Group Representative
Chicago Group Office
Underwriter: Joe Harrington

SLPC 15793

Sun Life Assurance Company of Canada
is a member of the Sun Life Financial group of companies.

www.sunlife-usa.com

**Renewal Proposal For
City of Racine
Group Policy Number - 007317
SPECIFIC STOP LOSS - Effective January 1, 2010**

Benefits Covered:	Current Plan	Medical & PDP	Medical & PDP
Enrolled Employees			
Single		449	
Family		1118	
Total		1567	
Specific Deductible		\$200,000	Option 1 \$210,000
Current Rates:			
Single		\$17.06	
Family		\$45.69	
Est. Current Annual Premium		\$615,621	
Renewal Rates:			
Single		\$18.60	\$17.57
Family		\$49.80	\$47.06
Est. Annual Renewal Premium		\$768,334	\$726,024
Renewal Rate Action		9%	3%
<i>Please Select Renewal Option:</i>		<input type="checkbox"/>	<input type="checkbox"/>

- Below is a Summary of the new terms that will apply to the 2010 Stop Loss Policy that differs from the existing policy.
The above rates assume that your underlying plan will be brought into compliance with the "Mental Health Parity Act", and that covered expenses, as defined under the Act, will be covered as "any other illness".
- Claims basis will be on a paid contract.
- The above renewal offer assumes there are no underlying plan limits that are inconsistent with the guidelines established by Americans with Disabilities Act.
- In order for Sun Life Assurance Company of Canada to process this renewal in a timely manner, please sign this form and return it to me by December 17, 2009. If renewal alternatives are elected, or if there are any changes to the underlying plan's benefit structure, please have the policyholder sign and return this form.
- Medical includes benefits paid under a Prescription Drug Plan (PDP).

Authorized Signature

Date

Name (Printed)

Title



SLG Benefits & Insurance, LLC

THANK YOU

Please find the enclosed proposals which you have requested. We would like to thank you for the opportunity to quote on your important prospects. We realize that this is a market filled with many choices making us proud you have considered SLG as a prospective partner.

Best Regards,

Amy Argeros

Group- City of Racine

Specially Prepared For-The Horton Group., HCSC Benefit Division

This message and any attachments contain confidential information and is intended only for the individual named. If you are not the named addressee, you should not disseminate, distribute, alter or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender, therefore, does not accept liability for any errors or omissions in the contents of this message which arise during or as a result of e-mail transmission. If verification is required, please request a hard-copy version.

9 Atlantic Ave. * Marblehead, MA 01945 * Phone: 978-740-4538 * Fax: 978-740-9485 * www.slgbenefits.com

Dedicated - Service - Solutions



SLG Benefits & Insurance, LLC

Dedicated • Service • Solutions

Group: **City of Racine**

Proposal: **12/14/2009**

Valid Thru: **01/01/2010**

Effective: **01/01/2010**

Expiration: **12/31/2010**

Underwriter: **Amy Argeros**

Email: **aargeros@slgbenefits.com**

Issuing Carrier: **QBE Insurance Corporation**

Proposal #: **3471**

INDIVIDUAL EXCESS LOSS COVERAGE

☒ Specific Advancement

Coverages

	Option 1	Option 2	Option 3
	Medical, Rx Card	Medical, Rx Card	Medical, Rx Card
Contract Type	18/12	18/12	18/12
Annual Specific Deductible per Individual	\$ 200,000	\$ 150,000	\$ 225,000
Maximum Lifetime Reimbursement	\$ 1,800,000	\$ 1,850,000	\$ 1,775,000

Rate Per Month

Enrollment

Single	449	\$ 18.59	\$ 26.56	\$ 15.94
Family	1,118	\$ 45.00	\$ 62.43	\$ 38.98
Composite	1,567	\$ 37.44	\$ 52.15	\$ 32.38
Estimated Monthly Premium		\$ 58,661	\$ 81,722	\$ 50,740
Estimated Annual Premium		\$ 703,936	\$ 980,662	\$ 608,884
Rate(s) includes Commissions of		10.00%	10.00%	10.00%

QUOTE ASSUMPTIONS

Quoted terms and conditions are subject to possible revision based upon receipt and review of the following items:

Updated shock loss information to the date SLG has been notified that the proposal has been accepted by the group. Shock loss information should include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of 50% of the specific deductible, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pending or denied for any reason. Known claimants currently under Case Management, regardless of claim dollar amount must be disclosed. Please refer to our Potentially Catastrophic Loss List, which provides examples of some, but not all, types of shock losses.

Quote is contingent upon receipt of signed completed disclosure statement no earlier than 30 days prior to the effective date and our acceptance of the same.

Should a large claim(s), (non-reoccurring and/or ongoing) become known and the initial date of service is more than 15 days prior to the effective date of the policy, we reserve the right to re-underwrite the case. SLG must be in receipt of a signed proposal prior to its expiration date in order to waive this contingency.

A copy of the Policyholder's Plan Document MUST BE RECEIVED WITHIN 60 DAYS of the Effective Date. No Policy will be issued until the Plan Document has been received, reviewed and approved by Underwriting. Any reimbursement for Specific and/or Aggregate paid claims will be pending until the Plan Document has been received, reviewed and approved by Underwriting and the Policy issued.

The Policyholder's Plan Document must meet SLG Benefits' MINIMUM PLAN DOCUMENT REQUIREMENTS. All benefits quoted are subject to receipt of a copy of the current Benefit Booklet. Any benefits or exclusions in the current Plan that were not disclosed to SLG Benefits may result in a change in the quoted Benefits, Rates and/or Factors.

Quote is based upon the named TPA administering all claims. Quote is tentative until TPA is approved by SLG Benefits.

This is a TENTATIVE quote based upon the information furnished in the Request for Proposal. The quote will be firm upon receipt and approval of documentation of the information provided in the Request of Proposal. Any material deviations from any of the original information that was submitted for quote may result in a change in the quoted Rates and/or Factors or the withdrawal of the quotation. Final Rates and Factors will be based upon the actual enrollment census as of the Requested Effective Date.

In the event there is a greater than 10% change in enrollment between the submitted initial enrollment date and the final enrollment data, rates and factors may be recalculated.

Census provided must illustrate clearly if retirees and/or Cobras are to be covered. If they are not indicated on census, proposal will automatically assume they are not covered.

Minimum participation level of 75% of all eligible employees is required.

The Premium and Aggregate Deductible are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. SLG will not be bound by any typographical errors or omissions contained herein.

This proposal expires if applications are not requested before the valid through date.

ADDITIONAL CONTINGENCY(IES):

Quote assumes the use of the following UR vendor:UHC

Quote assumes the use of the following PPO vendor:UHC

Initial next to the selected proposal option:	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>
Specific	_____	_____	_____
Aggregate	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

The Premium and Aggregate Deductible are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. We will not be bound by any typographical errors or omissions contained herein.

Date: _____ By: _____
Agent of Record or Administrator

This proposal expires if applications are not requested before the valid through date.

City of Racine 2009 Stop Loss Reimbursements
Total Group

Claimant #	Benefit Year	Check Date	Check Amount
2008-01	2009	10/12/2009	\$35,267.15
		10/13/2009	\$17,074.59
		10/13/2009	\$18,228.57
		10/13/2009	\$21,216.59
		12/6/2009	\$543.58
		Adjustment	(\$15,264.68) *
			\$77,065.80
2009-02	2009	11/2/2009	\$78,784.73
		11/2/2009	\$2,178.16
		11/4/2009	\$88,096.60
		12/6/2009	\$2,907.10
		Pending	\$22,001.46 *
			\$193,968.05
2009-01	2009	Pending	\$24,346.88 *
2009-04	2009	Pending	\$33,792.13 *
2009-06	2009	Pending	\$57,934.96 *

COMBINED 2009 STOP LOSS YR (thru 11/30 Med 10/31 Rx) \$387,107.82
 (Above number includes approx. \$125,717.85 in claims for reimbursement checks not yet issued)

* These are approximate totals based on the medical claims paid through 11/30/09 and Rx claims paid through 10/31/09; these claims have not yet been processed by the stop loss carrier

Premium Paid 1-11/2009 \$645,377.00
Loss Ratio 59.98%

City of Racine 2009 Stop Loss Reimbursements
City

Claimant #	Benefit Year	Check Date	Check Amount
2008-01	2009	10/12/2009	\$35,267.15
	2009	10/13/2009	\$17,074.59
	2009	10/13/2009	\$18,228.57
	2009	10/13/2009	\$21,216.59
	2009	12/6/2009	\$543.58
		Adjustment	(\$15,264.68) *
			\$77,065.80
2009-01	2009	Pending	\$24,346.88 *
2009-04	2009	Pending	\$33,792.13 *
2009-06	2009	Pending	\$57,934.96 *

COMBINED 2009 STOP LOSS YR (thru 11/30 Med 10/31 Rx) \$193,139.77
 (Above number includes approx. \$103,716.39 in claims for reimbursement checks not yet issued)

* These are approximate totals based on the medical claims paid through 11/30/09 and Rx claims paid through 10/31/09; these claims have not yet been processed by the stop loss carrier

Premium Paid 1-11/2009 \$564,311.00
Loss Ratio 34.23%

City of Racine 2009 Stop Loss Reimbursements
Water

Claimant #	Benefit Year	Check Date	Check Amount
2009-02	2009	11/2/2009	\$78,784.73
		11/2/2009	\$2,178.16
		11/4/2009	\$88,096.60
		12/6/2009	\$2,907.10
		Pending	\$22,001.46 *
			\$193,968.05

COMBINED 2009 STOP LOSS YR (thru 11/30 Med 10/31 R: \$196,968.05

(Above number includes approx. \$22,001.46 in claims for reimbursement checks not yet issued)

* These are approximate totals based on the medical claims paid through 11/30/09 and Rx claims paid through 10/31/09; these claims have not yet been processed by the stop loss carrier

Premium Paid 1-11/2009 \$81,066.00
Loss Ratio 242.97%

**City of Racine 2008 Stop Loss Reimbursements
Total Group**

Claimant #	Benefit Year	Check Date	Check Amount
2008-02	2008	10/16/2008	\$80,011.41
	2008	11/26/2008	\$23,504.24
	2008	12/17/2008	\$2,290.71
	2008	1/20/2009	\$44,774.62
	2008	2/20/2009	\$3,605.10
			\$154,186.08
2008-03	2008	2/2/2009	\$753.66
	2008	2/2/2009	\$4,537.43
	2008	2/2/2009	\$660.23
	2008	2/20/2009	\$4,708.74
			\$10,660.06
2008-04	2008	2/20/2009	\$72,445.70
	2008	2/20/2009	\$114,063.28
			\$186,508.98
2008-01	2008	2/20/2009	\$59,942.37
	2008	2/25/2009	\$1,783.46
	2008	4/6/2009	\$17,685.16
			\$79,410.99
COMBINED 2008 STOP LOSS YEAR			\$430,766.11
Premium Paid 2008			\$574,289.00
Loss Ratio			75.01%

**City of Racine 2008 Stop Loss Reimbursements
City**

Claimant #	Benefit Year	Check Date	Check Amount
2008-02	2008	10/16/2008	\$80,011.41
	2008	11/26/2008	\$23,504.24
	2008	12/17/2008	\$2,290.71
	2008	1/20/2009	\$44,774.62
	2008	2/20/2009	\$3,605.10
			\$154,186.08
2008-03	2008	2/2/2009	\$753.66
	2008	2/2/2009	\$4,537.43
	2008	2/2/2009	\$660.23
	2008	2/20/2009	\$4,708.74
			\$10,660.06
2008-04	2008	2/20/2009	\$72,445.70
	2008	2/20/2009	\$114,063.28
			\$186,508.98
2008-01	2008	2/20/2009	\$59,942.37
	2008	2/25/2009	\$1,783.46
	2008	4/6/2009	\$17,685.16
			\$79,410.99
COMBINED 2008 STOP LOSS YEAR			\$430,766.11
Premium Paid 2008			\$512,698.00
Loss Ratio			84.02%

**City of Racine 2008 Stop Loss Reimbursements
Water**

Claimant #	Benefit Year	Check Date	Check Amount
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No Claims

COMBINED 2008 STOP LOSS YEAR \$0.00

Premium Paid 2008 \$61,591.00
Loss Ratio 0.00%